



Digitized by the Internet Archive
in 2022 with funding from
University of Toronto

<https://archive.org/details/31761115463317>

CA20N
TR17
- B75

Publications

July 2002

**Ontario
Ministry
of Finance**

**First
Quarter
of 2002**
(January, February, March)

Ontario Economic Accounts



July 2002

First Quarter of 2002

(January, February, March)

Ontario Economic Accounts



Ontario Ministry of Finance

For further information on the Ontario Economic Accounts, please contact:

Harvey Bradley

416-325-0773

e-mail - harvey.bradley@fin.gov.on.ca

Jacques Marcil

416-325-0761

email - jacques.marcil@fin.gov.on.ca

Ministry of Finance
Macroeconomic Analysis & Policy Branch
Current Analysis Unit
95 Grosvenor St., 6th Fl. Frost Bldg. N.
Toronto, ON M7A 1Z1

This document is also available on the Internet at
<http://www.gov.on.ca/FIN/english/oecoeng.htm>

Ce document est disponible en français.

© Queen's Printer for Ontario, 2002

ISSN 0828-3877

Table of Contents

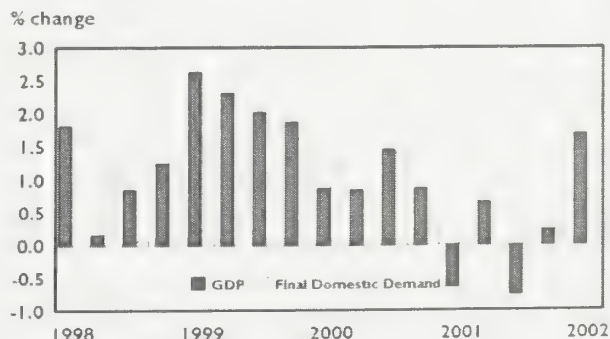
First-Quarter Highlights: January-March 2002	1
Demand and Incomes	4
Ontario Production By Industry	7
Ontario Economic Accounts: Summary 1998:1-2002:1	12
List of Tables	15

FIRST-QUARTER HIGHLIGHTS: JANUARY-MARCH 2002

OVERVIEW

- ❑ Ontario's **real GDP** increased by 1.7% (6.9% annualized) in the first quarter of 2002, the strongest growth in over two years.
- ❑ Growth was well balanced across the economy with consumer spending, exports and business investment contributing to growth. A reduced pace of inventory liquidation also contributed to the first quarter expansion. This was partially offset by weaker non-residential investment and reduced government spending.
- ❑ **Real consumer spending** rose 0.8% in the first quarter, after a 1.0% gain in the previous quarter.
- ❑ **Real business plant and equipment investment** rebounded 1.7%, following a 3.4% drop in the fourth quarter of 2001. A 2.5% gain in machinery and equipment outlays more than offset the 1.3% drop in non-residential investment.
- ❑ **Real exports** rose 2.6%, following five quarters of contraction. The rebound was due mainly to a strong pick up in machinery and equipment and automotive exports to the U.S. **Imports**, benefiting from strong domestic demand, advanced 2.7% in the first quarter.
- ❑ **Residential construction** rose 3.7%, following the 4.2% gain in the final quarter of 2001. Increased home resale activity and new housing construction more than offset a drop in home renovations.
- ❑ Businesses reduced **inventories** by \$5.8 billion in the first quarter, a sizeable drop in pace from the fourth quarter \$8.0 billion inventory depletion.
- ❑ In current dollars, **nominal GDP** jumped 2.6% to an annualized level of \$454.8 billion, rebounding from the declines of the previous two quarters.

Ontario Real GDP Advances in First Quarter



- **By industry**, gains were led by automotive and electronic equipment manufacturing, wholesale and retail trade, and construction (especially residential).

ONTARIO ECONOMIC ACCOUNTS: HIGHLIGHTS
(% change from previous period)

	2000	2001	2001:2	2001:3	2001:4	2002:1
Real GDP (\$1997)	5.5	1.1	0.7	-0.7	0.2	1.7
<i>(annualized rate on second line)</i>			2.7	-3.0	0.9	6.9
Personal spending	4.2	2.0	0.6	0.0	1.0	0.8
Government spending	4.9	4.4	1.5	0.8	0.7	-0.3
Residential construction	5.0	3.1	-1.1	1.7	4.2	3.7
Non-residential construction	-4.1	0.6	3.9	1.0	-0.3	-1.3
Machinery & equipment	11.7	-4.1	-1.2	0.3	-4.3	2.5
Exports	6.5	-2.9	-0.2	-0.3	-0.7	2.6
Imports	6.5	-5.3	0.2	-0.4	-2.5	2.7
Business inventories (\$1997 billions)	3.5	-2.9	0.6	-3.4	-8.0	-5.8
Nominal GDP (\$ Current)	6.5	2.4	1.0	-0.4	-0.4	2.6
Corporation profits	3.7	-15.6	-0.1	-13.5	-10.0	16.1
Personal income	7.7	3.8	0.0	0.4	0.0	1.0
Disposable income	7.7	3.8	-0.1	0.0	0.1	1.1
Prices GDP deflator	0.9	1.3	0.3	0.4	-0.6	0.9

HISTORICAL REVISIONS

The *Ontario Economic Accounts* (OEA) have been revised for the 1998 to 2001 period, to take into account the latest Statistics Canada revisions at the national level over the same period. In addition to changes covering the normal four-year revision frame, the OEA incorporates a number of conceptual changes introduced by Statistics Canada. These changes relate to the treatment of licenses and registrations, farm inventories, land transfer taxes, and spectrum charges (royalties paid to the federal government for use of airwaves).

As shown in the following table, the revisions led to small positive changes in annual real GDP growth rates. The net impact of the revisions on the estimated nominal GDP level in 2001 was an increase of 1% from \$440.1 billion to \$444.4 billion. The main source of the upward revision was an increase in the growth of wages and salaries in the year 2000 as Statistics Canada incorporated Personal Income Tax return data that showed higher incomes than previously estimated.

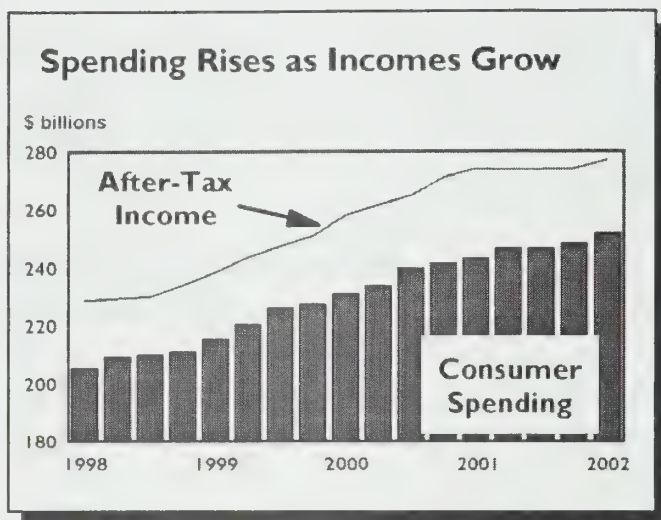
REVISIONS TO ONTARIO REAL GDP GROWTH, 1998-2001		
<i>(% change from previous period)</i>		
	Previous	New
1998	4.8	5.1
1999	7.4	7.4
2000	5.3	5.5
2001	1.0	1.1

DEMAND AND INCOMES

CONSUMER SPENDING RISES

Real consumer spending rose 0.8% in the first quarter of 2002, following a 1.0% gain in the final quarter of 2001. Consumer spending on goods jumped 1.6%, boosted by strong auto sales and robust spending on household furnishings and appliances linked to Ontario's strong housing market. Energy consumption fell due to milder-than-normal winter weather. Lower spending on travel, air transportation and restaurants and accommodation limited service consumption growth to 0.1% in the first quarter.

Personal disposable income rose by 1.1% in the first quarter, following a 0.1% gain in the final quarter of 2001. Labour income, the largest component of household income, rose 1.1%, contributing to the improvement. Ontario's **saving rate** dropped to 6.9% in the first quarter, from 7.2% in the final quarter of 2001, as nominal consumer spending rose faster than disposable income.

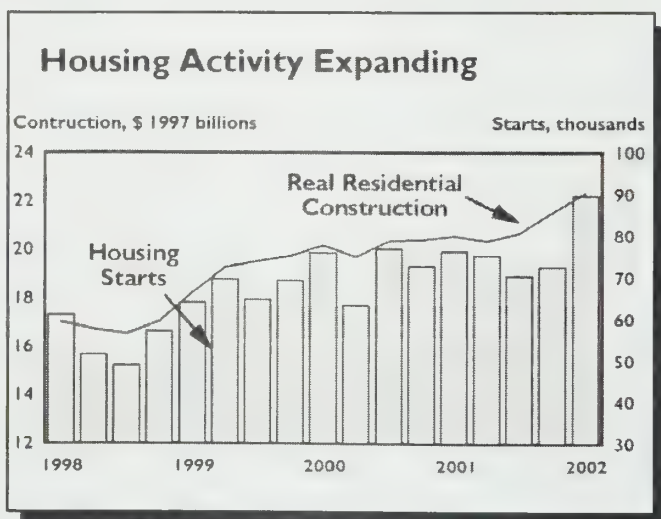


HOUSING MARKET CONTINUES STRONG GROWTH

Residential construction expanded at a brisk 3.7% pace in the first quarter of 2002, following strong gains in the second half of 2001. Increased home resale activity and new housing construction more than offset a drop in home renovations.

Further signs of Ontario's strong housing market in the first quarter include:

- home resales up 8.7% (q/q);
- housing starts up 23.2% (q/q); and
- residential building permits up 23.2% (q/q).



BUSINESS INVESTMENT REBOUNDS

Real business plant and equipment investment rebounded 1.7% in the first quarter, following a 3.4% drop in the fourth quarter of 2001. Investment was buoyed by stronger business confidence.

Although rising, investment was mixed with a 2.5% gain in machinery and equipment outlays more than offsetting the 1.3% drop in non-residential investment. The jump in machinery and equipment investment was due largely to increased outlays for automobiles, trucks, software and telecommunications equipment, while reduced building and engineering construction was responsible for the drop in non-residential structures.

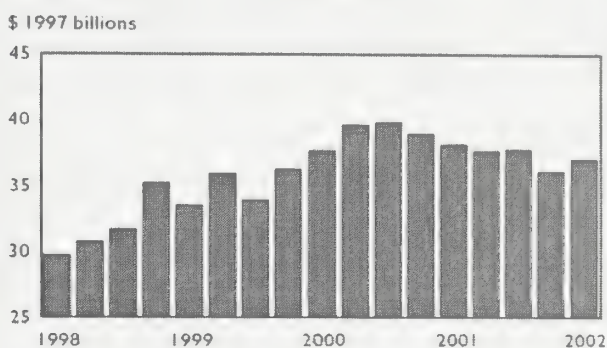
Pre-tax corporate profits jumped 16.1%, the first gain in over a year. Gains were broadly based with strong performances in the manufacturing, wholesaling, retailing and financial services sectors. Despite the rebound, profits were down 9.7% from the same period in 2001.

PACE OF INVENTORY LIQUIDATION SLOWS IN FIRST QUARTER

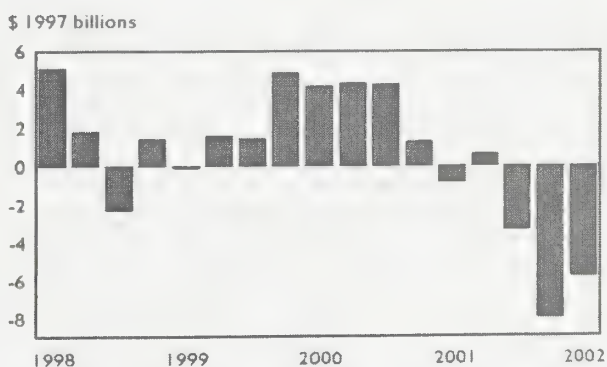
Businesses cut \$5.8 billion (annualized \$1997) from **real inventories** in the first quarter of 2002, a sizeable drop from the fourth quarter \$8.0 billion depletion. This contributed the equivalent of 2.1 percentage points to real GDP growth in the first quarter.

Stocks were trimmed at all stages of the production chain. The largest stock liquidation occurred at the manufacturing level followed by the wholesale and retail levels.

Machinery and Equipment Investment Rebounds in First Quarter



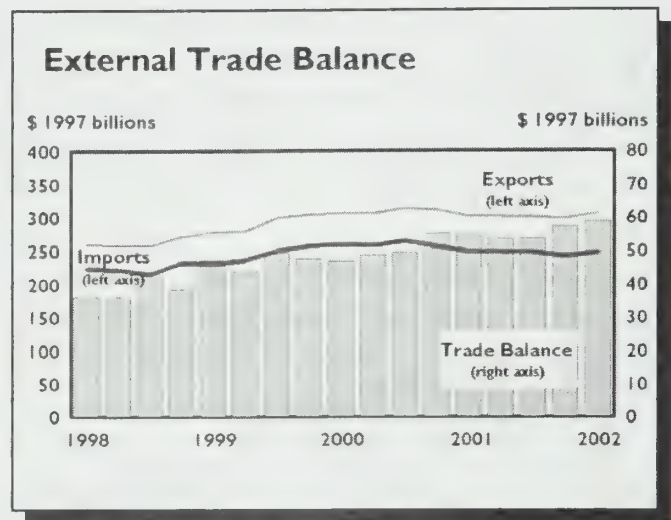
Inventory Liquidation Slowing



EXPORTS AND IMPORTS RECOVER AS DEMAND PICKS UP IN FIRST QUARTER

Ontario's **real exports** (which include both international and interprovincial exports) advanced 2.6% in the first quarter, following five quarters of contraction. A pick-up in the U.S. economy, with U.S. real GDP growing 6.1%, was the primary factor responsible for the improvement. Increased machinery and equipment and automotive product exports led the way.

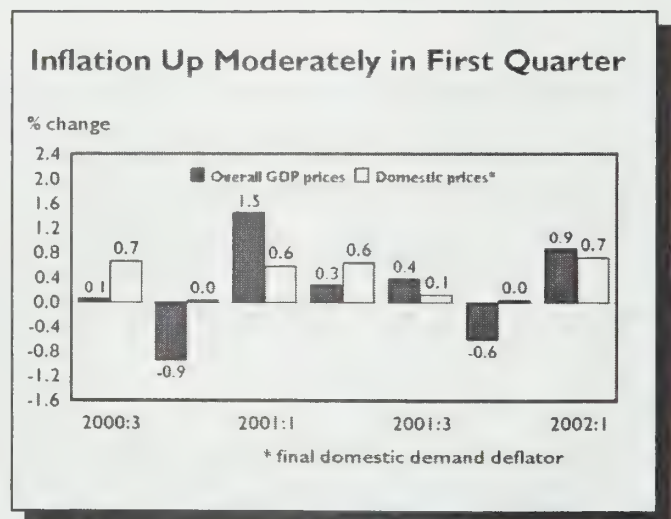
Real imports, propelled by strong domestic demand, increased 2.7%, the first substantial gain since the third quarter of 2000. Import advances were wide-spread with healthy gains in autos, automotive parts, computer equipment and industrial goods. Ontario's overall trade balance, measured in \$1997, expanded by just over \$1.3 billion in the first quarter.



PRICES RISE IN FIRST QUARTER

Average prices, as measured by the GDP price deflator, rose 0.9%, following a 0.6% drop in the fourth quarter. Price increases were wide-spread.

The biggest increases occurred in machinery and equipment (+2.2%) and housing (+2.0%), followed by more modest price hikes from consumer (+0.6%) and government (+0.2%) spending. Export (+1.4%) and import (+0.8%) prices advanced in the first quarter, reflecting stronger prices for manufactured and semi-manufactured goods.



ONTARIO PRODUCTION BY INDUSTRY

INDUSTRIAL PRODUCTION IN THE FIRST QUARTER

Ontario's industrial output growth accelerated in the first quarter of 2002, with real GDP at basic prices rising 1.8% (7.3% annualized), the fastest pace since 1999. This followed a modest gain of 0.3% (1.2% annualized) in the final quarter of 2001.

A rebound in manufacturing (+3.8%) provided nearly half of the growth this quarter, with the auto industry contributing a large portion of the advance. Wholesale and retail trade increased 3.6%, supplying one quarter of the total advance. Construction advanced 2.9%, lifted by record-setting housing starts. The resale side of the housing market was also very active and as a result, output in the finance and real estate sector grew by 1.4%.

These results were partially offset by declines in the accommodation (-1.9%), primary (-2.7%) and government (-1.3%) sectors.

ONTARIO OUTPUT BY SECTOR

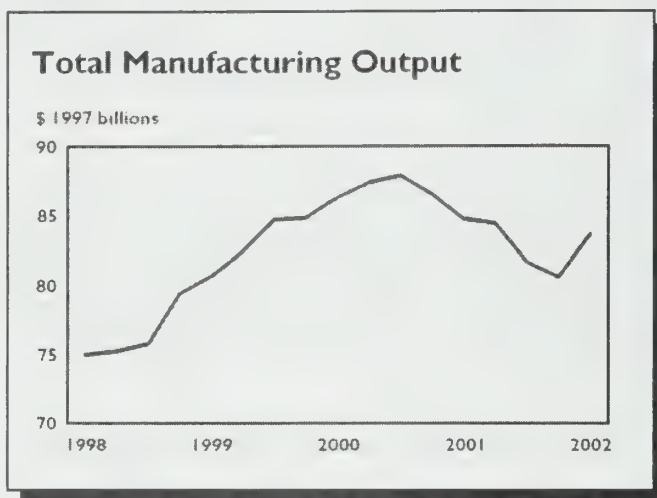
(% change from previous period, \$ 1997)

	2000	2001	2001:2	2001:3	2001:4	2002:1
Goods Sector	4.2	-2.9	-0.1	-2.2	-0.6	2.9
Primary Industries	-1.2	-2.9	-1.9	-1.3	-0.4	-2.7
Manufacturing	4.7	-4.8	-0.3	-3.2	-1.4	3.8
Construction	4.1	4.5	0.9	2.5	1.6	2.9
Utilities	4.5	-0.8	0.7	-2.5	1.6	0.0
Service Sector	5.3	2.4	0.4	0.1	0.7	1.3
Transportation and Warehousing	4.9	-3.8	-2.3	-1.4	0.3	1.2
Wholesale and Retail Trade	6.0	0.9	0.4	-0.6	0.7	3.6
Finance, Insurance and Real Estate	4.6	3.3	0.5	0.7	1.3	1.4
Information and Cultural Industries	14.1	6.6	1.5	1.4	2.9	1.0
Public Administration	3.2	4.7	1.8	0.7	0.3	-1.3
Ontario Output at Basic Prices (\$1997)	5.0	0.7	0.2	-0.6	0.3	1.8
(annualized rate on second line)			0.8	-2.3	1.2	7.3

MANUFACTURING OUTPUT: BEST GROWTH IN THREE YEARS

Manufacturing output jumped 3.8% in the first quarter, ending a string of five negative quarters. Higher production resulted from stronger domestic and foreign demand as well as the fact that inventory levels had been brought down to more manageable levels.

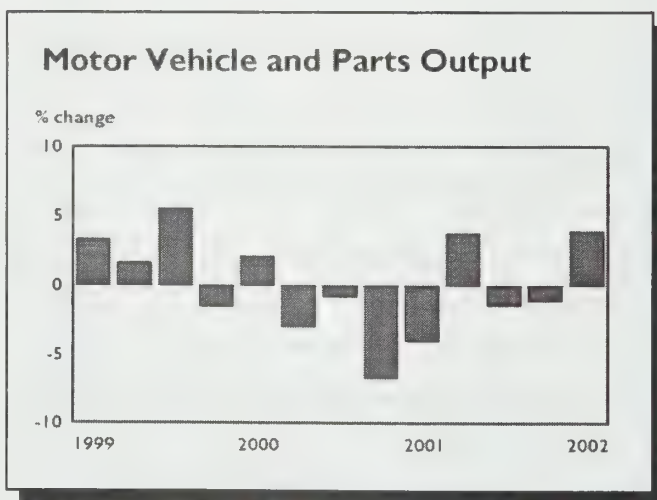
Output rose in most manufacturing sectors, led by the motor vehicle, electronic, chemical and machinery sectors. This marked manufacturing's best quarterly growth since the fourth quarter of 1998, when an unusually high rebound resulted from the end of a strike in the auto industry. Excluding 1998:4, the last time Ontario experienced such growth in manufacturing was the last quarter of 1994.



As a result, 33,200 jobs were created in manufacturing over the quarter, the best job creation number on record for the industry.

AUTO SECTOR LEADS GROWTH

After two difficult years during which over-capacity and large inventories impeded production, Ontario's auto output rose by 3.9% in the first quarter, with auto assembly up 0.6% and parts manufacturing up 6.0%. The first quarter performance was the strongest since 1999, spurred on by strong auto sales in both Canada and the U.S. at the end of 2001. Other manufacturing industries supplying inputs in car-making, such as plastic and rubber products, made significant gains as well.



Manufacturing activity also picked up in other transportation equipment sectors such as aerospace (+2.0%) and other transportation (+14.3%), which includes train cars and boats.

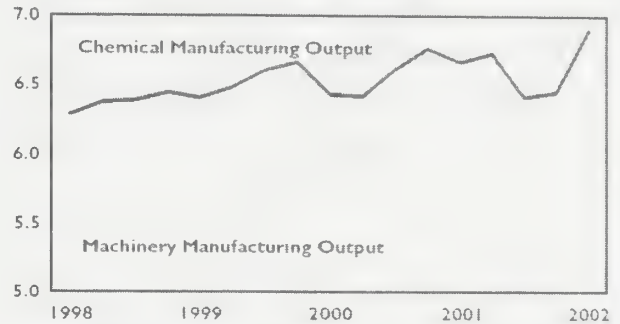
OTHER MANUFACTURING HIGHLIGHTS

The rebound in manufacturing activity was also visible in chemicals (+7.0%) and in machinery (+3.5%). The growth in chemicals was centered in the pharmaceutical industry, while demand for machinery coincided with higher exports.

The output of electrical and electronic products rebounded following severe cutbacks in production capacity throughout 2001. For instance, computer output rose 15.4% in 2002:1 following four negative quarters.

Chemical and Machinery Manufacturing Output

\$ 1997 billions



CONSTRUCTION SETS NEW RECORDS AS INTEREST RATES STAY LOW

Construction advanced 2.9% in the first quarter, the fastest growth rate in three years.

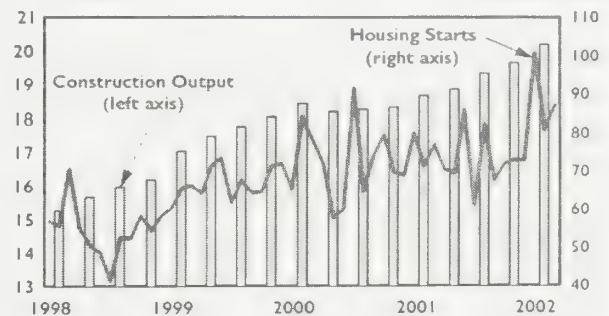
Interest rates reached historic lows in January, with the Canadian prime rate dropping to 3.75%. The weather was also unusually mild at the end of the winter. These two factors helped to maintain housing construction at peak levels of activity. Housing starts boomed 23.2% in 2002:1, reaching 100,000 units (annualized) in January.

Non-residential construction held steady in the first quarter after four quarters of growth averaging close to 3% in 2001. Building permits remained at high levels, pointing to stronger non-residential construction growth in the near term.

Construction Output and Housing Starts

\$ 1997 billions

thousand units

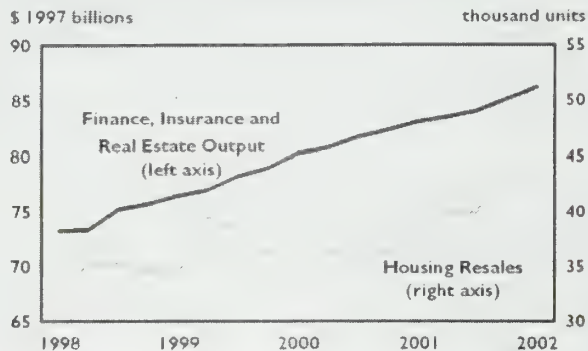


FINANCIAL SECTOR BOOSTED BY HOT HOUSING MARKET

The financial, insurance and real estate sector advanced 1.4%, extending its three-year long string of uninterrupted gains. The most important contribution to growth came from the real estate sector (+3.5%), reflecting a 8.9% jump in home resales. Ontario home resales reached 49,000 units, more than 35% above their level at the end of 2000.

Other financial sectors such as banking (+1.5%) and insurance (+1.9%) registered healthy but more modest gains.

Finance, Insurance and Real Estate Output and Housing Resales



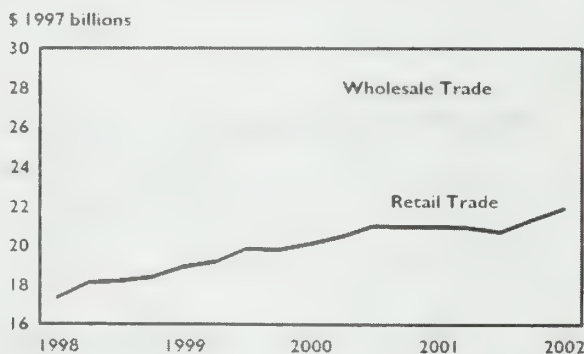
STRONG RETAIL AND WHOLESALE PERFORMANCE

Both retail and wholesale activity registered solid gains in the first quarter.

Wholesaling increased by 4.5%, the best growth since 1999. Higher sales of automobiles and auto products were the main source of growth.

Retailing grew by 2.5%, following a 3.2% gain in the fourth quarter, the first two consecutive advances since 2000. Drug stores, auto dealers and furniture stores all enjoyed strong sales.

Retail and Wholesale Trade Output

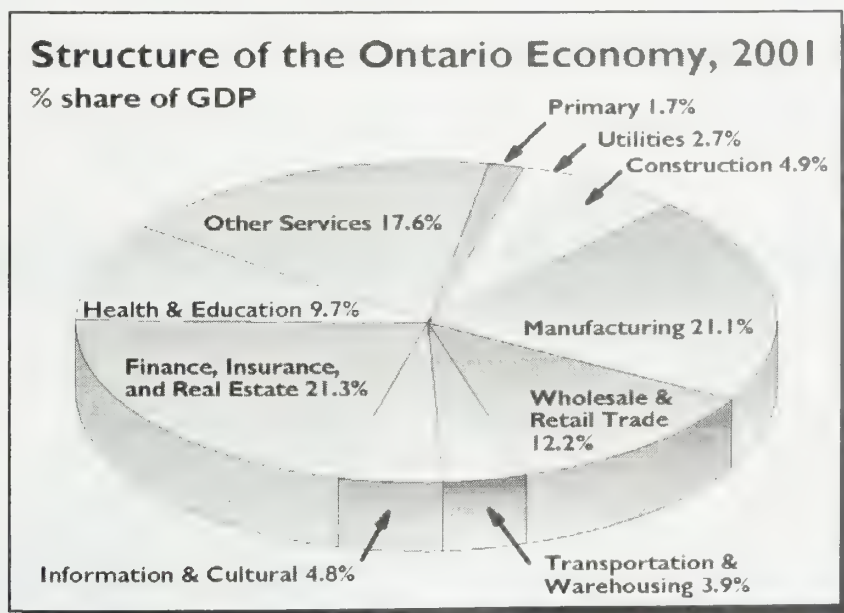
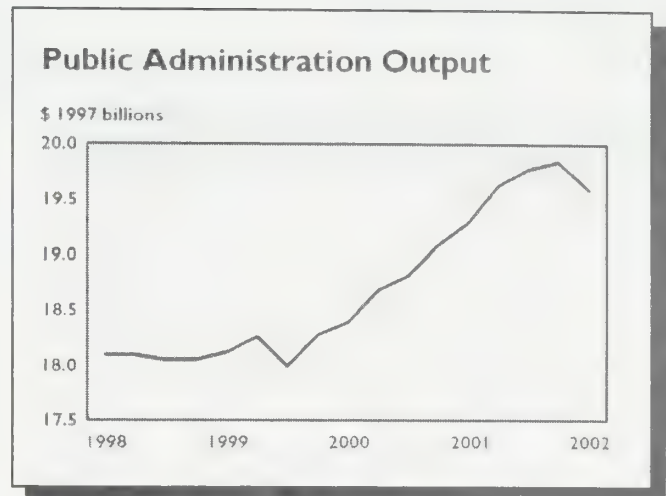


PUBLIC ADMINISTRATION DECLINES

The output of the public administration sector fell 1.3%, which represented the only significant sectoral loss of the quarter. A major part of the drop in government activity resulted from the strike affecting a group of Government of Ontario employees. This strike started in mid-March and ended in early May.

In other industries:

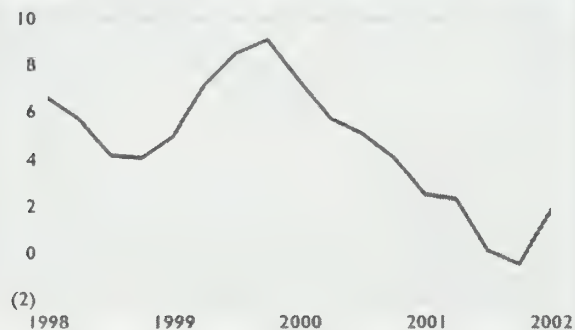
- output of utilities was little changed in the first quarter, reflecting unusually mild winter weather;
- output of the hospitality sector fell 1.9%, following a 0.7% gain in the fourth quarter;
- output of professional services rose 1.9% after two quarterly declines.



Ontario Economic Accounts: Summary (1998:I - 2002:I)

**Gross Domestic Product
(\$ 1997)**

% change, year-over-year



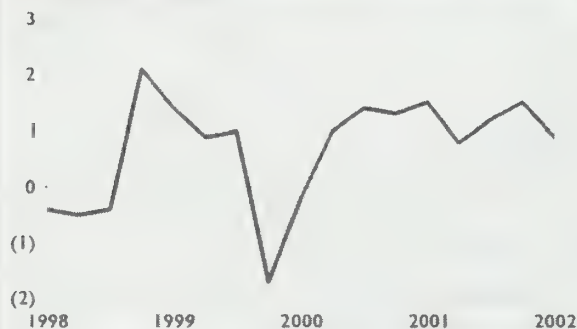
**Gross Domestic Product
(\$ Current)**

% change, year-over-year



**GDP Deflator
(1997 = 100)**

% change, year-over-year



**Final Domestic Demand
(\$ 1997)**

% change, year-over-year



**Personal Income
(\$ Current)**

% change, year-over-year

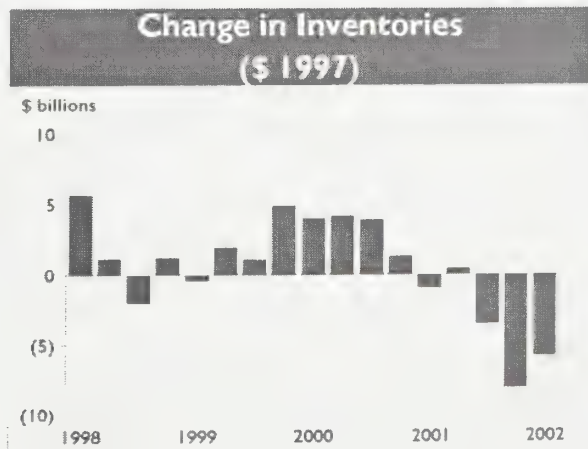
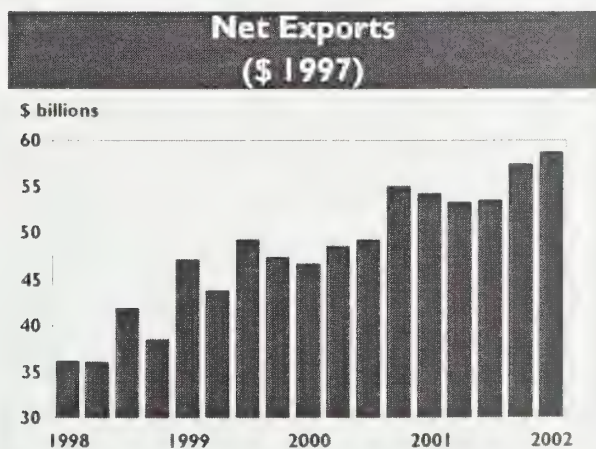
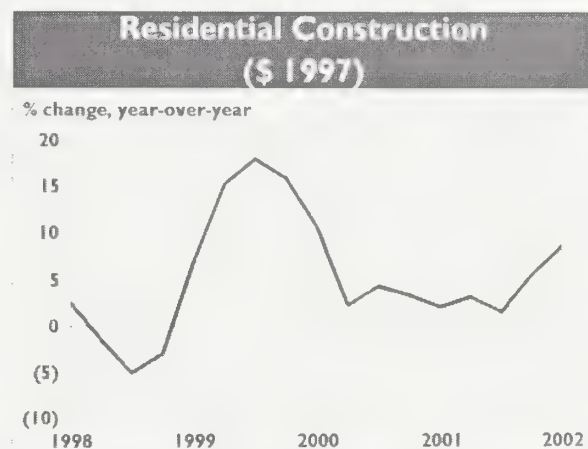
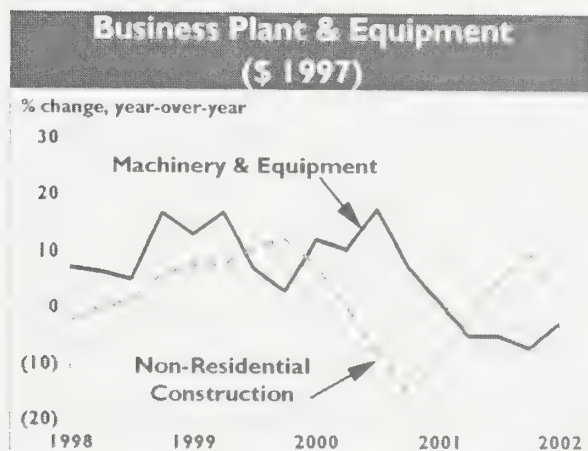


**Personal Disposable Income
(\$ Current)**

% change, year-over-year



Ontario Economic Accounts: Summary (1998:I - 2002:I)



LIST OF TABLES

INCOME AND EXPENDITURE DATA

Quarterly Data, 1999:1–2002:1

Table 1: Ontario Gross Domestic Product (Income Based)	16
Table 2: Ontario Gross Domestic Product (Expenditure Based)	18
Table 3: Ontario Gross Domestic Product at 1997 Prices	20
Table 4: Sources and Disposition of Ontario Personal Income	22
Table 5: Ontario Trade	24
Table 6: Ontario Deflators	26

Annual Data, 1998–2001

Table 7: Ontario Gross Domestic Product (Income Based)	28
Table 8: Ontario Gross Domestic Product (Expenditure Based)	29
Table 9: Ontario Gross Domestic Product at 1997 Prices	30
Table 10: Sources and Disposition of Ontario Personal Income	31
Table 11: Ontario Trade	32
Table 12: Ontario Deflators	33

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

Table 13: Quarterly Data, 1999:1 - 2002:1	34
Table 14: Annual Data, 1998-2001	36

ONTARIO GROSS DOMESTIC PRODUCT, (INCOME BASED)

TABLE 1

(\$ millions, seasonally adjusted at annual rates)

	1999				2000			
	I	II	III	IV	I	II	III	IV
1. Wages, salaries and supplementary labour income (domestic basis)	208,344	213,096	216,391	220,345	226,801	233,164	236,519	239,061
	2.2	2.3	1.5	1.8	2.9	2.8	1.4	1.1
2. Corporation profits before taxes	47,149	47,446	49,840	49,240	50,341	50,325	50,372	49,850
	3.4	0.6	5.0	-1.2	2.2	0.0	0.1	-1.0
3. Interest and miscellaneous investment income	17,862	17,361	17,684	17,726	17,992	17,783	18,029	17,344
	-4.6	-2.8	1.9	0.2	1.5	-1.2	1.4	-3.8
4. Accrued net income of farm operators from farm production	117	243	282	348	340	315	245	253
	71.7	107.8	16.3	23.1	-2.2	-7.3	-22.1	3.4
5. Net income of non-farm unincorporated business including rent	24,562	25,113	25,759	26,159	26,570	26,698	26,847	26,966
	3.5	2.2	2.6	1.6	1.6	0.5	0.6	0.4
6. Inventory valuation adjustment	-367	48	-1,878	-1,687	-1,842	-1,106	77	-2,752
7. Net Domestic Income at factor cost	297,667	303,306	308,078	312,130	320,202	327,179	332,089	330,722
	2.6	1.9	1.6	1.3	2.6	2.2	1.5	-0.4
8. Indirect taxes less subsidies	52,179	53,782	55,259	56,078	56,106	56,230	56,841	57,193
	1.7	3.1	2.7	1.5	0.0	0.2	1.1	0.6
9. Capital consumption allowances and miscellaneous valuation adjustments	47,397	48,331	48,616	48,192	48,976	49,370	50,361	51,037
	1.2	2.0	0.6	-0.9	1.6	0.8	2.0	1.3
10. Gross Domestic Product at market prices	397,243	405,419	411,954	416,400	425,284	432,779	439,291	438,953
	2.3	2.1	1.6	1.1	2.1	1.8	1.5	-0.1
	*	9.6	8.5	6.6	8.8	7.2	6.2	-0.3

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, (INCOME BASED)

TABLE 1

(\$ millions, seasonally adjusted at annual rates)

	2001				2002
	I	II	III	IV	I
1. Wages, salaries and supplementary labour income (domestic basis)	242,457 1.4	244,337 0.8	244,979 0.3	245,771 0.3	248,594 1.1
2. Corporation profits before taxes	46,553 -6.6	46,521 -0.1	40,229 -13.5	36,210 -10.0	42,039 16.1
3. Interest and miscellaneous investment income	17,768 2.4	16,999 -4.3	16,133 -5.1	15,482 -4.0	15,575 0.6
4. Accrued net income of farm operators from farm production	485 91.2	589 21.6	782 32.7	703 -10.1	714 1.5
5. Net income of non-farm unincorporated business including rent	27,404 1.6	27,556 0.6	28,000 1.6	28,467 1.7	29,207 2.6
6. Inventory valuation adjustment	-820	146	507	396	-1,478
7. Net Domestic Income at factor cost	333,846 0.9	336,148 0.7	330,631 -1.6	327,030 -1.1	334,651 2.3
8. Indirect taxes less subsidies	56,559 -1.1	57,407 1.5	59,175 3.1	59,368 0.3	61,565 3.7
9. Capital consumption allowances and miscellaneous valuation adjustments	52,069 2.0	53,153 2.1	55,296 4.0	57,043 3.2	58,583 2.7
10. Gross Domestic Product at market prices	442,475 0.8 *	446,705 1.0 3.9	445,101 -0.4 -1.4	443,441 -0.4 -1.5	454,799 2.6 10.6

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, (EXPENDITURE BASED)

TABLE 2

(\$ millions, seasonally adjusted at annual rates)

	1999				2000			
	I	II	III	IV	I	II	III	IV
1. Personal expenditure on consumer goods and services:	215,600 2.0	220,550 2.3	226,343 2.6	227,668 0.6	230,943 1.4	233,976 1.3	240,038 2.6	241,599 0.7
2. Goods	96,417 3.0	99,471 3.2	102,740 3.3	103,046 0.3	104,883 1.8	106,121 1.2	109,252 2.9	109,558 0.3
3. Services	119,182 1.1	121,079 1.6	123,603 2.1	124,622 0.8	126,061 1.2	127,855 1.4	130,787 2.3	132,041 1.0
4. Government expenditure on goods and services:	74,635 2.1	75,452 1.1	76,356 1.2	77,737 1.8	78,707 1.2	80,985 2.9	82,741 2.2	83,082 0.4
5. Current expenditure	66,566 1.8	67,113 0.8	67,913 1.2	69,035 1.7	69,507 0.7	71,679 3.1	72,835 1.6	72,751 -0.1
6. Capital expenditure	8,069 4.8	8,339 3.3	8,443 1.2	8,702 3.1	9,200 5.7	9,306 1.2	9,906 6.5	10,331 4.3
7. Business gross fixed capital formation:	63,130 0.9	66,431 5.2	65,030 -2.1	67,577 3.9	69,469 2.8	70,205 1.1	70,309 0.1	69,392 -1.3
8. Residential construction	18,924 7.3	20,436 8.0	20,760 1.6	20,956 0.9	21,780 3.9	21,172 -2.8	22,260 5.1	22,636 1.7
9. Non-residential construction	11,032 3.7	11,338 2.8	11,658 2.8	12,086 3.7	12,078 -0.1	11,617 -3.8	10,935 -5.9	10,526 -3.7
10. Machinery and equipment	33,174 -3.3	34,656 4.5	32,613 -5.9	34,535 5.9	35,612 3.1	37,417 5.1	37,115 -0.8	36,230 -2.4
11. Exports of goods and services	281,823 2.0	280,724 -0.4	301,884 7.5	309,979 2.7	313,836 1.2	314,245 0.1	320,296 1.9	321,744 0.5
12. DEDUCT: Imports of goods and services	238,483 0.6	238,713 0.1	257,614 7.9	267,597 3.9	269,505 0.7	270,281 0.3	277,266 2.6	278,286 0.4
13. Value of physical change in inventories:	-1,666	1,768	1,640	2,640	1,708	2,866	2,701	783
14. Non-farm	-1,554	1,712	1,861	2,819	2,000	2,940	2,862	680
15. Farm and grain in commercial channels	-112	56	-221	-179	-291	-75	-161	103
16. Statistical discrepancy	2,206	-793	-1,685	-1,603	125	781	474	637
17. Gross Domestic Product at market prices	397,243 2.3	405,419 2.1	411,954 1.6	416,400 1.1	425,284 2.1	432,779 1.8	439,291 1.5	438,953 -0.1
18. Gross Domestic Product at 1997 prices	392,609 2.6	401,684 2.3	409,791 2.0	417,461 1.9	421,092 0.9	424,635 0.8	430,778 1.4	434,528 0.9
*	10.9	9.6	8.3	7.7	3.5	3.4	5.9	3.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, (EXPENDITURE BASED)

TABLE 2

(\$ millions, seasonally adjusted at annual rates)

	2001				2002
	I	II	III	IV	I
1. Personal expenditure on consumer goods and services:	243,245 0.7	246,560 1.4	246,615 0.0	248,525 0.8	251,978 1.4
2. Goods	110,093 0.5	112,130 1.9	111,023 -1.0	112,724 1.5	115,091 2.1
3. Services	133,152 0.8	134,430 1.0	135,592 0.9	135,801 0.2	136,887 0.8
4. Government expenditure on goods and services:	83,832 0.9	84,950 1.3	86,300 1.6	87,197 1.0	87,155 0.0
5. Current expenditure	73,198 0.6	74,247 1.4	75,618 1.8	76,056 0.6	75,914 -0.2
6. Capital expenditure	10,634 2.9	10,704 0.7	10,682 -0.2	11,141 4.3	11,241 0.9
7. Business gross fixed capital formation:	69,645 0.4	70,168 0.8	70,513 0.5	70,017 -0.7	72,927 4.2
8. Residential construction	22,700 0.3	22,652 -0.2	23,092 1.9	24,364 5.5	25,772 5.8
9. Non-residential construction	11,125 5.7	11,653 4.8	11,859 1.8	11,888 0.2	11,769 -1.0
10. Machinery and equipment	35,820 -1.1	35,863 0.1	35,562 -0.8	33,765 -5.1	35,386 4.8
11. Exports of goods and services	316,154 -1.7	314,792 -0.4	311,268 -1.1	306,016 -1.7	318,499 4.1
12. DEDUCT: Imports of goods and services	269,191 -3.3	269,907 0.3	266,634 -1.2	259,915 -2.5	269,012 3.5
13. Value of physical change in inventories:	-1,589	-284	-2,403	-7,745	-6,379
14. Non-farm	-1,555	-143	-2,321	-7,675	-6,414
15. Farm and grain in commercial channels	-34	-141	-82	-70	35
16. Statistical discrepancy	380	424	-558	-653	-370
17. Gross Domestic Product at market prices	442,475 0.8	446,705 1.0	445,101 -0.4	443,441 -0.4	454,799 2.6
18. Gross Domestic Product at 1997 prices	431,740 -0.6 *	434,612 0.7 2.7	431,356 -0.7 -3.0	432,360 0.2 0.9	439,625 1.7 6.9

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT AT 1997 PRICES

TABLE 3

(\$ millions, seasonally adjusted at annual rates)

	1999				2000			
	I	II	III	IV	I	II	III	IV
1. Personal expenditure on consumer goods and services:	211,381 1.9	214,308 1.4	218,928 2.2	219,823 0.4	221,665 0.8	224,068 1.1	227,588 1.6	227,854 0.1
2. Goods	95,420 2.9	97,087 1.7	99,910 2.9	100,255 0.3	101,154 0.9	102,308 1.1	104,460 2.1	103,718 -0.7
3. Services	115,960 1.1	117,220 1.1	119,018 1.5	119,567 0.5	120,512 0.8	121,759 1.0	123,128 1.1	124,136 0.8
4. Government expenditure on goods and services:	73,662 2.6	74,477 1.1	75,267 1.1	77,203 2.6	78,276 1.4	77,452 -1.1	78,890 1.9	80,735 2.3
5. Current expenditure	65,542 2.3	66,021 0.7	66,708 1.0	68,382 2.5	69,081 1.0	68,107 -1.4	69,004 1.3	70,550 2.2
6. Capital expenditure	8,120 5.4	8,456 4.1	8,559 1.2	8,821 3.1	9,195 4.2	9,345 1.6	9,886 5.8	10,186 3.0
7. Business gross fixed capital formation:	62,502 -0.3	66,095 5.7	64,653 -2.2	67,654 4.6	69,294 2.4	70,245 1.4	70,479 0.3	69,240 -1.8
8. Residential construction	18,243 7.0	19,295 5.8	19,523 1.2	19,759 1.2	20,163 2.0	19,728 -2.2	20,368 3.2	20,418 0.2
9. Non-residential construction	10,643 2.7	10,864 2.1	11,183 2.9	11,620 3.9	11,467 -1.3	10,874 -5.2	10,300 -5.3	9,847 -4.4
10. Machinery and equipment	33,616 -4.7	35,936 6.9	33,947 -5.5	36,275 6.9	37,664 3.8	39,643 5.3	39,811 0.4	38,975 -2.1
11. Exports of goods and services	277,693 2.6	280,113 0.9	299,213 6.8	304,260 1.7	306,297 0.7	306,081 -0.1	313,705 2.5	310,653 -1.0
12. DEDUCT: Imports of goods and services:	230,436 -0.7	236,178 2.5	249,960 5.8	256,730 2.7	259,481 1.1	257,435 -0.8	264,388 2.7	255,581 -3.3
13. Value of physical change in inventories:	-391	1,965	1,144	4,869	3,980	4,168	3,890	1,365
14. Non-farm	-105	1,533	1,418	4,857	4,169	4,334	4,261	1,234
15. Farm and grain in commercial channels	-286	432	-274	12	-189	-166	-370	132
16. Statistical discrepancy	-1,802	905	546	383	1,061	57	614	261
17. Gross Domestic Product at 1997 prices	392,609 2.6	401,684 2.3	409,791 2.0	417,461 1.9	421,092 0.9	424,635 0.8	430,778 1.4	434,528 0.9
*	10.9	9.6	8.3	7.7	3.5	3.4	5.9	3.5
18. Final domestic demand	347,545 1.7	354,879 2.1	358,848 1.1	364,679 1.6	369,235 1.2	371,764 0.7	376,956 1.4	377,829 0.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT AT 1997 PRICES

TABLE 3

(\$ millions, seasonally adjusted at annual rates)

	2001				2002
	I	II	III	IV	I
1. Personal expenditure on consumer goods and services:	228,200 0.2	229,557 0.6	229,611 0.0	231,862 1.0	233,737 0.8
2. Goods	103,599 -0.1	104,366 0.7	103,921 -0.4	106,579 2.6	108,329 1.6
3. Services	124,602 0.4	125,190 0.5	125,691 0.4	125,284 -0.3	125,408 0.1
4. Government expenditure on goods and services:	80,929 0.2	82,181 1.5	82,811 0.8	83,379 0.7	83,150 -0.3
5. Current expenditure	70,412 -0.2	71,603 1.7	72,226 0.9	72,386 0.2	72,179 -0.3
6. Capital expenditure	10,518 3.3	10,577 0.6	10,585 0.1	10,993 3.9	10,972 -0.2
7. Business gross fixed capital formation:	69,046 -0.3	68,765 -0.4	69,307 0.8	68,529 -1.1	70,109 2.3
8. Residential construction	20,572 0.8	20,348 -1.1	20,684 1.7	21,548 4.2	22,348 3.7
9. Non-residential construction	10,335 5.0	10,737 3.9	10,845 1.0	10,816 -0.3	10,676 -1.3
10. Machinery and equipment	38,139 -2.1	37,679 -1.2	37,777 0.3	36,165 -4.3	37,085 2.5
11. Exports of goods and services	301,567 -2.9	301,062 -0.2	300,188 -0.3	298,031 -0.7	305,786 2.6
12. DEDUCT: Imports of goods and services	247,226 -3.3	247,681 0.2	246,633 -0.4	240,522 -2.5	246,965 2.7
13. Value of physical change in inventories:	-896	455	-3,515	-8,113	-5,824
14. Non-farm	-856	590	-3,371	-8,032	-5,844
15. Farm and grain in commercial channels	-40	-136	-144	-81	20
16. Statistical discrepancy	119	275	-412	-806	-368
17. Gross Domestic Product at 1997 prices	431,740 -0.6 * -2.5	434,612 0.7 2.7	431,356 -0.7 -3.0	432,360 0.2 0.9	439,625 1.7 6.9
18. Final domestic demand	378,176 0.1	380,502 0.6	381,728 0.3	383,771 0.5	386,997 0.8

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

(\$ millions, seasonally adjusted at annual rates)

		1999				2000			
		I	II	III	IV	I	II	III	IV
1.	Wages, salaries and supplementary labour income (national basis)	205,953 2.2	210,690 2.3	213,850 1.5	217,700 1.8	224,013 2.9	230,285 2.8	233,509 1.4	236,078 1.1
2.	Net income of farm operators from farm production	117 71.7	243 107.8	282 16.3	348 23.1	340 -2.2	315 -7.3	245 -22.1	253 3.4
3.	Net income of non-farm unincorporated business including rent	24,562 3.5	25,113 2.2	25,759 2.6	26,159 1.6	26,570 1.6	26,698 0.5	26,847 0.6	26,966 0.4
4.	Interest, dividends and miscellaneous investment income	44,201 -0.2	44,310 0.2	44,719 0.9	44,786 0.1	46,054 2.8	46,567 1.1	46,909 0.7	48,761 3.9
5.	Current transfers from government, corporations and non-residents	39,519 0.9	39,781 0.7	40,262 1.2	40,676 1.0	42,910 5.5	41,238 -3.9	41,605 0.9	41,796 0.5
6. Equals:	Personal income	314,353 1.8	320,137 1.8	324,872 1.5	329,669 1.5	339,887 3.1	345,103 1.5	349,116 1.2	353,854 1.4
7. Deduct:	Personal direct taxes	55,671 1.2	55,849 0.3	56,601 1.3	57,238 1.1	59,578 4.1	60,595 1.7	61,039 0.7	58,862 -3.6
8.	Other current transfers to government	20,183 3.1	20,639 2.3	21,079 2.1	21,659 2.7	22,403 3.4	22,909 2.3	23,368 2.0	23,722 1.5
9. Equals:	Personal disposable income	238,498 1.8	243,649 2.2	247,191 1.5	250,772 1.4	257,906 2.8	261,600 1.4	264,708 1.2	271,271 2.5
10. Deduct:	Personal expenditure on consumer goods and services	215,600 2.0	220,550 2.3	226,343 2.6	227,668 0.6	230,943 1.4	233,976 1.3	240,038 2.6	241,599 0.7
11.	Current transfers to corporations	3,786 6.8	3,816 0.8	4,094 7.3	4,155 1.5	4,359 4.9	4,657 6.8	4,886 4.9	5,148 5.3
12.	Current transfers to non-residents	552 0.2	565 2.4	585 3.6	602 2.9	575 -4.5	587 2.1	596 1.6	604 1.4
13. Equals:	Personal saving	18,561 -0.4	18,718 0.8	16,170 -13.6	18,347 13.5	22,029 20.1	22,380 1.6	19,187 -14.3	23,920 24.7
14.	Personal savings rate	7.8	7.7	6.5	7.3	8.5	8.6	7.2	8.8

Note: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

(\$ millions, seasonally adjusted at annual rates)

		2001				2002
		I	II	III	IV	I
1.	Wages, salaries and supplementary labour income (<i>national basis</i>)	239,383 1.4	241,298 0.8	242,022 0.3	242,748 0.3	245,418 1.1
2.	Net income of farm operators from farm production	485 91.2	589 21.6	782 32.7	703 -10.1	714 1.5
3.	Net income of non-farm unincorporated business including rent	27,404 1.6	27,556 0.6	28,000 1.6	28,467 1.7	29,207 2.6
4.	Interest, dividends and miscellaneous investment income	47,690 -2.2	47,069 -1.3	46,431 -1.4	45,041 -3.0	44,590 -1.0
5.	Current transfers from government, corporations and non-residents	44,463 6.4	43,076 -3.1	43,787 1.7	44,108 0.7	44,769 1.5
6. Equals:	Personal income	359,426 1.6	359,588 0.0	361,023 0.4	361,067 0.0	364,699 1.0
7. Deduct:	Personal direct taxes	60,895 3.5	61,160 0.4	62,025 1.4	61,417 -1.0	61,447 0.0
8.	Other current transfers to government	24,456 3.1	24,719 1.1	25,153 1.8	25,454 1.2	26,116 2.6
9. Equals:	Personal disposable income	274,075 1.0	273,710 -0.1	273,845 0.0	274,196 0.1	277,136 1.1
10. Deduct:	Personal expenditure on consumer goods and services	243,245 0.7	246,560 1.4	246,615 0.0	248,525 0.8	251,978 1.4
11.	Current transfers to corporations	5,265 2.3	5,284 0.4	5,251 -0.6	5,279 0.5	5,311 0.6
12.	Current transfers to non-residents	629 4.0	689 9.6	716 4.0	725 1.1	674 -7.0
13. Equals:	Personal saving	24,935 4.2	21,178 -15.1	21,263 0.4	19,668 -7.5	19,173 -2.5
14.	Personal savings rate	9.1	7.7	7.8	7.2	6.9

Note: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources:** Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE

TABLE 5

(\$ millions, seasonally adjusted at annual rates)

	1999				2000			
	I	II	III	IV	I	II	III	IV
1. Exports of Goods and Services	281,823	280,724	301,884	309,979	313,836	314,245	320,296	321,744
	2.0	-0.4	7.5	2.7	1.2	0.1	1.9	0.5
2. Of Which: International	210,948	208,353	222,316	228,826	233,639	234,502	235,534	239,516
	2.5	-1.2	6.7	2.9	2.1	0.4	0.4	1.7
3. Goods	185,095	182,177	195,059	199,539	204,060	205,808	207,286	210,137
	2.8	-1.6	7.1	2.3	2.3	0.9	0.7	1.4
4. Services	25,853	26,176	27,257	29,287	29,579	28,694	28,248	29,380
	0.7	1.2	4.1	7.4	1.0	-3.0	-1.6	4.0
5. Of Which: Interprovincial goods and services	70,875	72,371	79,567	81,153	80,197	79,743	84,762	82,228
	0.5	2.1	9.9	2.0	-1.2	-0.6	6.3	-3.0
6. Imports of Goods and Services	238,483	238,713	257,614	267,597	269,505	270,281	277,266	278,286
	0.6	0.1	7.9	3.9	0.7	0.3	2.6	0.4
7. Trade Balance	43,340	42,011	44,270	42,382	44,331	43,965	43,029	43,458

Note: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE

TABLE 5

(\$ millions, seasonally adjusted at annual rates)

	2001				2002
	I	II	III	IV	I
1. Exports of Goods and Services	316,154	314,792	311,268	306,016	318,499
	-1.7	-0.4	-1.1	-1.7	4.1
2. Of Which: International	233,151	231,292	226,603	223,062	233,241
	-2.7	-0.8	-2.0	-1.6	4.6
3. Goods	203,196	201,770	197,750	194,197	203,712
	-3.3	-0.7	-2.0	-1.8	4.9
4. Services	29,955	29,522	28,853	28,865	29,529
	2.0	-1.4	-2.3	0.0	2.3
5. Of Which: Interprovincial goods and services	83,002	83,501	84,664	82,954	85,258
	0.9	0.6	1.4	-2.0	2.8
6. Imports of Goods and Services	269,191	269,907	266,634	259,915	269,012
	-3.3	0.3	-1.2	-2.5	3.5
7. Trade Balance	46,962	44,885	44,633	46,100	49,487

Note: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources:** Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO DEFLATORS

TABLE 6

(1997 = 100)

	1999				2000			
	I	II	III	IV	I	II	III	IV
1. Personal expenditure on consumer goods and services:	102.0 0.0	102.9 0.9	103.4 0.5	103.6 0.2	104.2 0.6	104.4 0.2	105.5 1.0	106.0 0.5
2. Goods	101.0 0.1	102.5 1.4	102.8 0.4	102.8 0.0	103.7 0.9	103.7 0.0	104.6 0.8	105.6 1.0
3. Services	102.8 0.0	103.3 0.5	103.9 0.5	104.2 0.4	104.6 0.4	105.0 0.4	106.2 1.2	106.4 0.1
4. Government expenditure on goods and services:	101.3 -0.5	101.3 0.0	101.4 0.1	100.7 -0.7	100.6 -0.1	104.6 4.0	104.9 0.3	102.9 -1.9
5. Current expenditure	101.6 -0.5	101.7 0.1	101.8 0.1	101.0 -0.8	100.6 -0.3	105.2 4.6	105.6 0.3	103.1 -2.3
6. Capital expenditure	99.4 -0.5	98.6 -0.8	98.6 0.0	98.7 0.0	100.1 1.4	99.6 -0.5	100.2 0.6	101.4 1.2
7. Business gross fixed capital formation:	101.0 1.2	100.5 -0.5	100.6 0.1	99.9 -0.7	100.3 0.4	99.9 -0.3	99.8 -0.2	100.2 0.5
8. Residential construction	103.7 0.3	105.9 2.1	106.3 0.4	106.1 -0.3	108.0 1.9	107.3 -0.6	109.3 1.8	110.9 1.4
9. Non-residential construction	103.6 1.0	104.4 0.7	104.2 -0.1	104.0 -0.2	105.3 1.3	106.8 1.4	106.2 -0.6	106.9 0.7
10. Machinery and equipment	98.7 1.4	96.4 -2.3	96.1 -0.4	95.2 -0.9	94.6 -0.7	94.4 -0.2	93.2 -1.2	93.0 -0.3
11. Exports of goods and services	101.5 -0.6	100.2 -1.3	100.9 0.7	101.9 1.0	102.5 0.6	102.7 0.2	102.1 -0.6	103.6 1.4
12. DEDUCT: Imports of goods and services	103.5 1.2	101.1 -2.3	103.1 2.0	104.2 1.1	103.9 -0.4	105.0 1.1	104.9 -0.1	108.9 3.8
13. Gross Domestic Product at market prices	101.2 -0.3 * -1.2	100.9 -0.2 -1.0	100.5 -0.4 -1.6	99.7 -0.8 -3.1	101.0 1.3 5.1	101.9 0.9 3.7	102.0 0.1 0.2	101.0 -0.9 -3.7
14. Final domestic demand	101.7 0.1	102.1 0.4	102.5 0.3	102.3 -0.2	102.7 0.4	103.6 0.9	104.3 0.7	104.3 0.0

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO DEFLATORS

TABLE 6

(1997 = 100)

	2001				2002
	I	II	III	IV	I
1. Personal expenditure on consumer goods and services:	106.6 0.5	107.4 0.8	107.4 0.0	107.2 -0.2	107.8 0.6
2. Goods	106.3 0.6	107.4 1.1	106.8 -0.6	105.8 -1.0	106.2 0.4
3. Services	106.9 0.5	107.4 0.5	107.9 0.5	108.4 0.5	109.2 0.7
4. Government expenditure on goods and services:	103.6 0.7	103.4 -0.2	104.2 0.8	104.6 0.3	104.8 0.2
5. Current expenditure	104.0 0.8	103.7 -0.3	104.7 1.0	105.1 0.4	105.2 0.1
6. Capital expenditure	101.1 -0.3	101.2 0.1	100.9 -0.3	101.3 0.4	102.5 1.1
7. Business gross fixed capital formation:	100.9 0.6	102.0 1.2	101.7 -0.3	102.2 0.4	104.0 1.8
8. Residential construction	110.3 -0.5	111.3 0.9	111.6 0.3	113.1 1.3	115.3 2.0
9. Non-residential construction	107.6 0.7	108.5 0.8	109.4 0.8	109.9 0.5	110.2 0.3
10. Machinery and equipment	93.9 1.0	95.2 1.3	94.1 -1.1	93.4 -0.8	95.4 2.2
11. Exports of goods and services	104.8 1.2	104.6 -0.3	103.7 -0.8	102.7 -1.0	104.2 1.4
12. DEDUCT: Imports of goods and services	108.9 0.0	109.0 0.1	108.1 -0.8	108.1 0.0	108.9 0.8
13. Gross Domestic Product at market prices	102.5 1.5	102.8 0.3	103.2 0.4	102.6 -0.6	103.5 0.9
	* 5.9	1.2	1.6	-2.4	3.5
14. Final domestic demand	104.9 0.6	105.6 0.6	105.7 0.1	105.7 0.0	106.5 0.7

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, (INCOME BASED)

TABLE 7

(\$ millions)

	1998	1999	2000	2001
1. Wages, salaries and supplementary labour income (domestic basis)	199,852 5.6	214,544 7.4	233,886 9.0	244,386 4.5
2. Corporation profits before taxes	40,446 7.7	48,418 19.7	50,222 3.7	42,378 -15.6
3. Interest and miscellaneous investment income	17,149 1.5	17,658 3.0	17,787 0.7	16,595 -6.7
4. Accrued net income of farm operators from farm production	250 1.7	247 -1.0	288 16.5	640 121.9
5. Net income of non-farm unincorporated business including rent	23,830 5.2	25,398 6.6	26,770 5.4	27,857 4.1
6. Inventory valuation adjustment	-496	-971	-1,406	57
7. Net Domestic Income at factor cost	281,032 5.6	305,295 8.6	327,548 7.3	331,914 1.3
8. Indirect taxes less subsidies	51,148 3.9	54,325 6.2	56,593 4.2	58,127 2.7
9. Capital consumption allowances and miscellaneous valuation adjustments	45,851 5.3	48,134 5.0	49,936 3.7	54,390 8.9
10. Gross Domestic Product at market prices	378,031 5.3	407,754 7.9	434,077 6.5	444,431 2.4

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, (EXPENDITURE BASED)

TABLE 8

(\$ millions)

	1998	1999	2000	2001
1. Personal expenditure on consumer goods and services:	209,122 4.7	222,540 6.4	236,639 6.3	246,235 4.1
2. Goods	92,890 5.0	100,419 8.1	107,454 7.0	111,492 3.8
3. Services	116,232 4.4	122,121 5.1	129,186 5.8	134,744 4.3
4. Government expenditure on goods and services:	73,221 3.8	76,045 3.9	81,379 7.0	85,570 5.2
5. Current expenditure	65,833 4.9	67,657 2.8	71,693 6.0	74,780 4.3
6. Capital expenditure	7,388 -5.1	8,388 13.5	9,686 15.5	10,790 11.4
7. Business gross fixed capital formation:	59,590 5.6	65,542 10.0	69,844 6.6	70,086 0.3
8. Residential construction	17,368 1.2	20,269 16.7	21,962 8.4	23,202 5.6
9. Non-residential construction	10,334 3.3	11,528 11.6	11,289 -2.1	11,631 3.0
10. Machinery and equipment	31,888 8.9	33,744 5.8	36,593 8.4	35,252 -3.7
11. Exports of goods and services	264,282 9.0	293,601 11.1	317,530 8.2	312,057 -1.7
12. DEDUCT: Imports of goods and services	228,920 7.3	250,602 9.5	273,835 9.3	266,412 -2.7
13. Value of physical change in inventories:	976	1,096	2,015	-3,004
14. Non-farm	1,191	1,210	2,121	-2,922
15. Farm and grain in commercial channels	-215	-114	-106	-82
16. Statistical discrepancy	-240	-469	504	-102
17. Gross Domestic Product at market prices	378,031 5.3	407,754 7.9	434,077 6.5	444,431 2.4
18. Gross Domestic Product at 1997 prices	377,279 5.1	405,387 7.5	427,758 5.5	432,517 1.1

Note: Per cent change from previous year is given on the second line.**Sources:** Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT AT 1997 PRICES

TABLE 9

(\$ millions)

	1998	1999	2000	2001
1. Personal expenditure on consumer goods and services:	206,547 3.4	216,111 4.6	225,294 4.2	229,808 2.0
2. Goods	92,427 4.5	98,168 6.2	102,910 4.8	104,616 1.7
3. Services	114,119 2.5	117,941 3.3	122,384 3.8	125,192 2.3
4. Government expenditure on goods and services:	72,061 2.2	75,152 4.3	78,838 4.9	82,325 4.4
5. Current expenditure	64,772 3.3	66,663 2.9	69,185 3.8	71,657 3.6
6. Capital expenditure	7,288 -6.4	8,489 16.5	9,653 13.7	10,668 10.5
7. Business gross fixed capital formation:	58,842 4.3	65,226 10.9	69,814 7.0	68,912 -1.3
8. Residential construction	16,842 -1.8	19,205 14.0	20,169 5.0	20,788 3.1
9. Non-residential construction	10,116 1.1	11,078 9.5	10,622 -4.1	10,683 0.6
10. Machinery and equipment	31,883 8.9	34,943 9.6	39,023 11.7	37,440 -4.1
11. Exports of goods and services	261,326 7.7	290,319 11.1	309,184 6.5	300,212 -2.9
12. DEDUCT: Imports of goods and services	223,097 4.5	243,326 9.1	259,221 6.5	245,516 -5.3
13. Value of physical change in inventories:	1,523	1,897	3,351	-3,017
14. Non-farm	1,486	1,926	3,500	-2,917
15. Farm and grain in commercial channels	38	-29	-148	-100
16. Statistical discrepancy	78	8	498	-206
17. Gross Domestic Product at 1997 prices	377,280 5.1	405,386 7.4	427,758 5.5	432,517 1.1
18. Final domestic demand	337,450 3.3	356,488 5.6	373,947 4.9	381,044 1.9

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 10

(\$ millions)

	1998	1999	2000	2001
1. Wages, salaries and supplementary labour income (<i>national basis</i>)	197,485 5.6	212,048 7.4	230,971 8.9	241,363 4.5
2. Net income of farm operators from farm production	250 1.7	247 -1.0	288 16.5	640 121.9
3. Net income of non-farm unincorporated business including rent	23,830 5.2	25,398 6.6	26,770 5.4	27,857 4.1
4. Interest, dividends and miscellaneous investment income	43,277 3.1	44,504 2.8	47,073 5.8	46,558 -1.1
5. Current transfers from government, corporations and non-residents	39,162 4.5	40,059 2.3	41,887 4.6	43,858 4.7
6. Equals: Personal income	304,004 5.0	322,258 6.0	346,990 7.7	360,276 3.8
7. Deduct: Personal direct taxes	53,818 6.7	56,340 4.7	60,018 6.5	61,374 2.3
8. Other current transfers to government	19,580 4.4	20,890 6.7	23,100 10.6	24,945 8.0
9. Equals: Personal disposable income	230,607 4.7	245,028 6.3	263,871 7.7	273,956 3.8
10. Deduct: Personal expenditure on consumer goods and services	209,122 4.7	222,540 6.4	236,639 6.3	246,235 4.1
11. Current transfers to corporations	3,467 14.4	3,963 14.3	4,763 20.2	5,270 10.7
12. Current transfers to non-residents	544 11.1	576 5.8	590 2.6	690 16.8
13. Equals: Personal saving	17,473 3.7	17,949 2.7	21,879 21.9	21,762 -0.5
14. Personal savings rate	7.6	7.3	8.3	7.9

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE

TABLE 11

(\$ millions)

	1998	1999	2000	2001
1. Exports of Goods and Services	264,282	293,601	317,530	312,057
	9.0	11.1	8.2	-1.7
2. Of Which: International	193,554	217,610	235,799	228,527
	12.3	12.4	8.4	-3.1
3. Goods	168,373	190,468	206,823	199,228
	12.1	13.1	8.6	-3.7
4. Services	25,181	27,143	28,975	29,299
	13.5	7.8	6.7	1.1
5. Of Which: Interprovincial goods and services	70,728	75,992	81,732	83,530
	0.8	7.4	7.6	2.2
6. Imports of Goods and Services	228,920	250,602	273,835	266,412
	7.3	9.5	9.3	-2.7
7. Trade Balance	35,362	43,000	43,696	45,645

Note: Per cent change from previous year is given on the second line.**Sources:** Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO DEFLATORS

TABLE 12

(1997 = 100)

	1998	1999	2000	2001
1. Personal expenditure on consumer goods and services:	101.2 1.2	103.0 1.7	105.0 2.0	107.1 2.0
2. <i>Goods</i>	100.5 0.5	102.3 1.8	104.4 2.1	106.6 2.1
3. <i>Services</i>	101.8 1.9	103.5 1.7	105.5 1.9	107.6 2.0
4. Government expenditure on goods and services:	101.6 1.5	101.2 -0.4	103.2 2.0	103.9 0.7
5. <i>Current expenditure</i>	101.6 1.6	101.5 -0.1	103.6 2.1	104.4 0.7
6. <i>Capital expenditure</i>	101.4 1.4	98.8 -2.6	100.3 1.5	101.1 0.8
7. Business gross fixed capital formation:	101.3 1.3	100.5 -0.8	100.0 -0.4	101.7 1.7
8. <i>Residential construction</i>	103.1 3.1	105.5 2.3	108.9 3.2	111.6 2.5
9. <i>Non-residential construction</i>	102.1 2.1	104.1 1.9	106.3 2.1	108.9 2.4
10. <i>Machinery and equipment</i>	100.1 0.1	96.6 -3.5	93.8 -2.9	94.1 0.4
11. Exports of goods and services	101.1 1.1	101.1 0.0	102.7 1.6	103.9 1.2
12. DEDUCT: Imports of goods and services	102.6 2.6	103.0 0.3	105.7 2.6	108.5 2.7
13. Gross Domestic Product	100.2 0.2	100.6 0.4	101.5 0.9	102.8 1.3
14. Final Domestic Demand	101.3 1.3	102.1 0.8	103.7 1.5	105.5 1.7

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

(\$ millions, seasonally adjusted at annual rates)

	1999				2000			
	I	II	III	IV	I	II	III	IV
1. Primary	7,127	6,953	6,861	6,886	6,799	6,966	6,884	6,855
	1.1	-2.4	-1.3	0.4	-1.3	2.5	-1.2	-0.4
2. Utilities	9,812	9,897	10,242	10,305	10,342	10,553	10,484	10,678
	2.7	0.9	3.5	0.6	0.4	2.0	-0.6	1.8
3. Construction	17,028	17,505	17,776	18,047	18,427	18,200	18,262	18,327
	5.2	2.8	1.6	1.5	2.1	-1.2	0.3	0.4
4. Manufacturing	80,664	82,435	84,683	84,823	86,320	87,364	87,872	86,527
	1.5	2.2	2.7	0.2	1.8	1.2	0.6	-1.5
5. Goods Producing Industries	114,631	116,789	119,562	120,061	121,887	123,083	123,503	122,388
	2.1	1.9	2.4	0.4	1.5	1.0	0.3	-0.9
6. Wholesale and Retail Trade	42,854	43,983	45,485	46,187	46,158	47,166	47,961	47,929
	4.1	2.6	3.4	1.5	-0.1	2.2	1.7	-0.1
7. Transportation and Warehousing	14,554	14,903	15,453	15,865	15,640	15,920	16,286	15,910
	-1.9	2.4	3.7	2.7	-1.4	1.8	2.3	-2.3
8. Information and Cultural	14,148	14,730	15,586	16,134	16,577	17,059	17,543	17,992
	7.0	4.1	5.8	3.5	2.7	2.9	2.8	2.6
9. Finance, Insurance, Real Estate, Rental and Leasing	76,435	76,990	78,197	78,931	80,206	80,722	81,649	82,295
	0.9	0.7	1.6	0.9	1.6	0.6	1.1	0.8
10. Professional, Scientific and Technical Services	16,428	16,848	17,189	17,923	18,299	18,920	19,544	19,873
	2.8	2.6	2.0	4.3	2.1	3.4	3.3	1.7
11. Administrative Support, Waste Management and Remediation Services	8,618	8,769	8,951	9,223	9,441	9,656	9,859	10,030
	1.6	1.7	2.1	3.0	2.4	2.3	2.1	1.7
12. Educational Services	17,220	17,274	17,367	17,477	17,072	17,313	17,441	17,438
	-0.8	0.3	0.5	0.6	-2.3	1.4	0.7	0.0
13. Health Care and Social Services	19,820	19,876	19,833	20,050	19,994	20,098	20,227	20,251
	0.1	0.3	-0.2	1.1	-0.3	0.5	0.6	0.1
14. Arts, Entertainment and Recreation	3,215	3,311	3,347	3,443	3,438	3,397	3,552	3,691
	-0.1	3.0	1.1	2.9	-0.2	-1.2	4.6	3.9
15. Accommodation and Food Services	7,847	8,007	8,036	8,053	7,970	8,170	8,351	8,364
	4.6	2.0	0.4	0.2	-1.0	2.5	2.2	0.2
16. Other Services & Misc. Adjustments	7,692	7,635	7,565	7,649	7,682	7,742	7,819	7,941
	-0.6	-0.7	-0.9	1.1	0.4	0.8	1.0	1.6
17. Public Administration	18,125	18,263	17,994	18,278	18,400	18,686	18,815	19,089
	0.4	0.8	-1.5	1.6	0.7	1.6	0.7	1.5
18. Services Producing Industries	246,955	250,589	255,004	259,214	260,876	264,849	269,047	270,803
	1.6	1.5	1.8	1.7	0.6	1.5	1.6	0.7
19. Real Gross Domestic Product at Basic Prices at 1997 prices	361,585	367,378	374,566	379,275	382,764	387,933	392,550	393,191
	1.8	1.6	2.0	1.3	0.9	1.4	1.2	0.2
*	7.2	6.6	8.1	5.1	3.7	5.5	4.8	0.7
20. Plus: Taxes less subsidies on products	31,024	34,307	35,225	38,186	38,328	36,703	38,228	41,338
21. Real Gross Domestic Product at Market Prices at 1997 prices	392,609	401,684	409,791	417,461	421,092	424,635	430,778	434,528
	2.6	2.3	2.0	1.9	0.9	0.8	1.4	0.9
*	10.9	9.6	8.3	7.7	3.5	3.4	5.9	3.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

(\$ millions, seasonally adjusted at annual rates)

	2001				2002
	I	II	III	IV	I
1. Primary	6,826 -0.4	6,697 -1.9	6,609 -1.3	6,582 -0.4	6,401 -2.7
2. Utilities	10,458 -2.1	10,534 0.7	10,274 -2.5	10,441 1.6	10,439 0.0
3. Construction	18,677 1.9	18,854 0.9	19,330 2.5	19,641 1.6	20,202 2.9
4. Manufacturing	84,730 -2.1	84,434 -0.3	81,713 -3.2	80,588 -1.4	83,611 3.8
5. Goods Producing Industries	120,691 -1.4	120,518 -0.1	117,927 -2.2	117,251 -0.6	120,654 2.9
6. Wholesale and Retail Trade	47,666 -0.5	47,838 0.4	47,560 -0.6	47,910 0.7	49,654 3.6
7. Transportation and Warehousing	15,691 -1.4	15,332 -2.3	15,125 -1.4	15,170 0.3	15,349 1.2
8. Information and Cultural	17,960 -0.2	18,232 1.5	18,485 1.4	19,030 2.9	19,212 1.0
9. Finance, Insurance, Real Estate, Rental and Leasing	82,994 0.8	83,449 0.5	84,032 0.7	85,084 1.3	86,238 1.4
10. Professional, Scientific and Technical Services	19,908 0.2	20,000 0.5	19,860 -0.7	19,783 -0.4	20,167 1.9
11. Administrative Support, Waste Management and Remediation Services	10,125 1.0	10,125 0.0	10,065 -0.6	9,990 -0.7	10,091 1.0
12. Educational Services	17,394 -0.3	17,289 -0.6	17,538 1.4	17,278 -1.5	17,264 -0.1
13. Health Care and Social Services	20,287 0.2	20,428 0.7	20,715 1.4	20,988 1.3	21,316 1.6
14. Arts, Entertainment and Recreation	3,626 -1.7	3,584 -1.2	3,574 -0.3	3,542 -0.9	3,502 -1.1
15. Accommodation and Food Services	8,458 1.1	8,475 0.2	8,082 -4.6	8,141 0.7	7,986 -1.9
16. Other Services & Misc. Adjustments	8,008 0.8	8,021 0.2	7,925 -1.2	7,802 -1.5	7,798 -0.1
17. Public Administration	19,292 1.1	19,635 1.8	19,778 0.7	19,847 0.3	19,595 -1.3
18. Services Producing Industries	271,411 0.2	272,409 0.4	272,738 0.1	274,566 0.7	278,170 1.3
19. Real Gross Domestic Product at Basic Prices at 1997 prices	392,102 -0.3 * -1.1	392,927 0.2 0.8	390,665 -0.6 -2.3	391,817 0.3 1.2	398,824 1.8 7.3
20. Plus: Taxes less subsidies on products	39,638	41,685	40,691	40,543	40,801
21. Real Gross Domestic Product at Market Prices at 1997 prices	431,740 -0.6 * -2.5	434,612 0.7 2.7	431,356 -0.7 -3.0	432,360 0.2 0.9	439,625 1.7 6.9

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

(\$ millions)

	1998	1999	2000	2001
1. Primary	7,077 3.1	6,957 -1.7	6,876 -1.2	6,678 -2.9
2. Utilities	9,603 -4.2	10,064 4.8	10,514 4.5	10,427 -0.8
3. Construction	15,778 1.7	17,589 11.5	18,304 4.1	19,126 4.5
4. Manufacturing	76,363 6.6	83,151 8.9	87,021 4.7	82,866 -4.8
5. Goods Producing Industries	108,821 4.6	117,761 8.2	122,715 4.2	119,097 -2.9
6. Wholesale and Retail Trade	39,799 9.4	44,627 12.1	47,304 6.0	47,744 0.9
7. Transportation and Warehousing	14,553 3.4	15,194 4.4	15,939 4.9	15,329 -3.8
8. Information and Cultural	12,455 8.9	15,150 21.6	17,293 14.1	18,427 6.6
9. Finance, Insurance, Real Estate, Rental and Leasing	74,394 3.6	77,638 4.4	81,218 4.6	83,890 3.3
10. Professional, Scientific and Technical Services	15,377 10.6	17,097 11.2	19,159 12.1	19,888 3.8
11. Administrative Support, Waste Management and Remediation Services	8,118 11.2	8,890 9.5	9,747 9.6	10,076 3.4
12. Educational Services	17,377 2.7	17,335 -0.2	17,316 -0.1	17,375 0.3
13. Health Care and Social Services	20,006 1.5	19,895 -0.6	20,143 1.2	20,605 2.3
14. Arts, Entertainment and Recreation	3,221 1.7	3,329 3.3	3,519 5.7	3,581 1.8
15. Accommodation and Food Services	7,446 6.4	7,986 7.3	8,214 2.9	8,289 0.9
16. Other Services & Misc. Adjustments	7,599 2.6	7,635 0.5	7,796 2.1	7,939 1.8
17. Public Administration	18,077 -1.1	18,165 0.5	18,747 3.2	19,638 4.7
18. Services Producing Industries	238,421 4.9	252,940 6.1	266,394 5.3	272,781 2.4
19. Real Gross Domestic Product at Basic Prices at 1997 prices	347,242 4.8	370,701 6.8	389,109 5.0	391,878 0.7
20. Plus: Taxes less subsidies on products	30,038	34,685	38,649	40,639
21. Real Gross Domestic Product at Market Prices at 1997 prices	377,280 5.1	405,386 7.4	427,758 5.5	432,517 1.1

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ISSN 0828-3877

CA20N
TR17
- B75

November 2002

Government
Publications

**Ontario
Ministry
of Finance**

**Second
Quarter
of 2002**
(April, May, June)

Ontario Economic Accounts



November 2002
Second Quarter of 2002
(April, May, June)

Ontario Economic Accounts



Ontario Ministry of Finance

For further information on the Ontario Economic Accounts, please contact:

David West
(416) 325-0778
email - david.west@fin.gov.on.ca

Harvey Bradley
(416) 325-0773
email - harvey.bradley@fin.gov.on.ca

Jacques Marcil
(416) 325-0761
email - jacques.marcil@fin.gov.on.ca

Ministry of Finance
Macroeconomic Analysis & Policy Branch
Current Analysis Unit
95 Grosvenor St., 6th Fl. Frost Bldg. N.
Toronto, ON M7A 1Z1

This document is also available on the Internet at
<http://www.gov.on.ca/FIN/english/oecoeng.htm>

Ce document est disponible en français.

Table of Contents

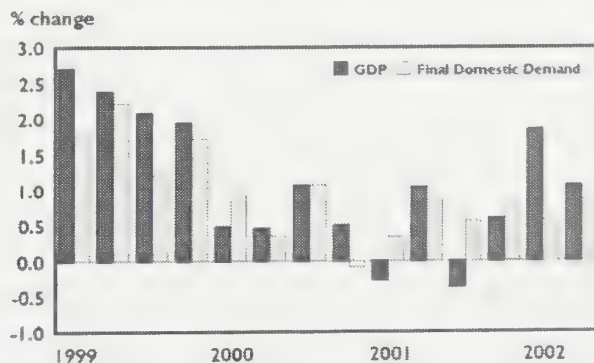
Second-Quarter Highlights: April-June 2002	1
Demand and Incomes	3
Ontario Production By Industry	6
Ontario Economic Accounts: Summary 1999:1-2002:2	12
List of Tables	15

SECOND-QUARTER HIGHLIGHTS: APRIL-JUNE 2002

OVERVIEW

- ❑ Ontario's **real GDP** increased by 1.1% (4.4% annualized) in the second quarter of 2002. This followed a strong first quarter advance of 1.8% (7.6% annualized).
- ❑ Similar to the first quarter, growth in the second quarter was broadly based. Continued strength in consumer spending, a pick-up of business investment and inventory rebuilding were the main sources of growth in the quarter. Both residential and non-residential construction fell and the net trade balance narrowed as real export growth lagged the surge in real import growth.
- ❑ **Real consumer spending** rose 0.5% in the second quarter, after a 0.7% gain in the first quarter.
- ❑ **Real business plant and equipment investment** grew 3.9%, following a 0.3% increase in the previous quarter. A strong 5.1% gain in machinery and equipment outlays more than offset the 0.1% drop in non-residential construction.
- ❑ Businesses replenished **inventories** by \$4.5 billion in the second quarter, the first build-up since the second quarter of 2001.
- ❑ **Real exports** advanced 0.7% in the second quarter, following a 3.4% jump in the previous quarter. Slower US growth moderated demand for Ontario exports.
- ❑ **Real imports** rose 4.2% in the second quarter, reflecting strong domestic demand.
- ❑ **Residential construction** slipped 0.3% following strong gains in the prior three quarters.
- ❑ In current dollars, **nominal GDP** grew 2.5% in the second quarter to an annualized level of \$464.3 billion, following a 2.4% increase in the first quarter.

Ontario Real GDP Growth Strong in Second Quarter



- **By industry**, gains were led by automotive, chemical and wood manufacturing, wholesale trade and arts and entertainment.

ONTARIO ECONOMIC ACCOUNTS: HIGHLIGHTS

(% change from previous period)

	2000	2001	2001:3	2001:4	2002:1	2002:2
Real GDP (\$ Chained 1997)	4.6	1.5	-0.4	0.6	1.8	1.1
(annualized rate on second line)			-1.5	2.4	7.6	4.4
Personal spending	4.4	2.3	0.1	1.1	0.7	0.5
Government spending	3.1	4.1	1.0	0.9	-0.5	0.5
Residential construction	5.3	2.4	1.3	3.9	4.1	-0.3
Non-residential construction	-4.2	-1.1	0.3	-1.0	-1.8	-0.1
Machinery & equipment	7.3	-3.1	1.9	-2.4	1.0	5.1
Exports	6.1	-3.3	-0.4	-0.8	3.4	0.7
Imports	6.7	-5.3	-0.6	-2.6	2.4	4.2
Business inventories (\$Chained 1997 billions)	2.6	-2.0	-2.2	-6.4	-4.8	4.5
Nominal GDP (\$ Current)	6.0	2.4	-0.4	-0.4	2.4	2.5
Corporation profits	0.4	-15.6	-14.2	-10.8	13.2	5.4
Personal income	7.5	3.8	0.4	0.0	1.3	1.1
Disposable income	7.8	3.3	-0.1	0.0	1.6	1.8
Prices GDP deflator	1.3	0.9	0.0	-1.0	0.6	1.4

NOTE TO READERS

On November 7, 2002, Statistics Canada released the 2001 Provincial Economic Accounts using for the first time, chain Fisher price indices (1997=100) in the calculation of real expenditures. Accordingly, this edition of the Ontario Economic Accounts has adopted this methodology in its estimates of quarterly economic activity for the province. There are two reasons for the adoption of the chain Fisher methodology: it produces the most accurate measure of quarter-to-quarter growth in GDP and its components; and, the change allows accurate comparisons of the Ontario accounts with the Canadian and US estimates which also use this method to measure real GDP.

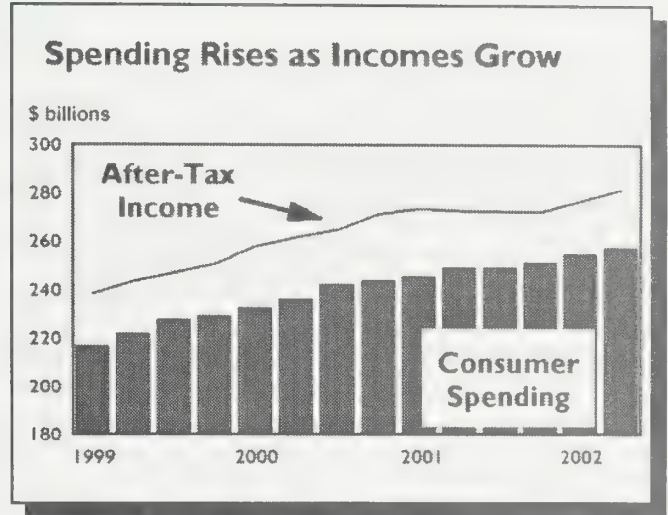
For more information of this change, see Statistics Canada's web site (<http://www.statcan.ca/english/concepts/chainfisher/methodology.htm>).

DEMAND AND INCOMES

CONSUMER SPENDING RISES

Real consumer spending rose 0.5% in the second quarter of 2002, following a 0.7% gain in the first quarter. Consumer spending on services jumped 1.3%, led by recreation, restaurants and accommodation. Energy consumption was strong reflecting the colder than usual spring weather. Lower purchases of autos, alcohol and tobacco caused goods consumption to slip 0.5% in the second quarter.

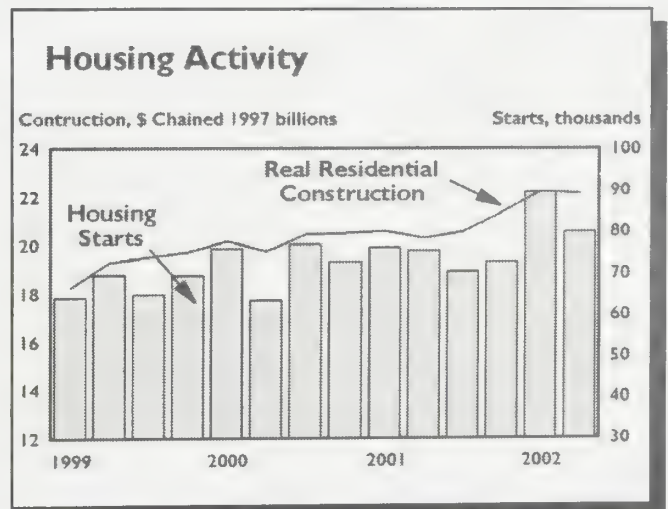
Personal disposable income rose by 1.8% in the second quarter, following a 1.6% gain in the first quarter of 2002. Labour income, the largest component of household income, increased 1.5%, contributing to the improvement as did the 2.2% drop in personal direct taxes in the second quarter. Ontario's **savings rate** rose to 6.5% in the second quarter, from 5.8% in the first quarter of 2002, as disposable income rose faster than nominal consumer spending.



HOUSING MARKET EASES FROM PEAK LEVELS

Residential construction slipped 0.3% in the second quarter of 2002, following strong gains in the previous three quarters. The increase in new housing construction was offset by the decrease in home renovations and transfer costs.

Ontario's housing market eased in the second quarter with a 10.8% drop in the number of housing starts and a 10.4% decline in the number of home resales reported in Ontario by the Canadian Real Estate Association. While the Ontario housing market remained vigorous, unusually warm weather appears to have pulled activity forward to the January-March quarter.



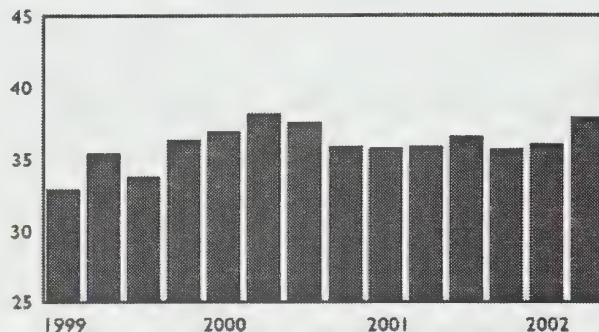
BUSINESS INVESTMENT STRENGTHENS

Real business plant and equipment investment grew 3.9% in the second quarter of 2002, following a 0.3% increase in the first quarter and a 2.1% decrease in the fourth quarter of last year.

Real business spending on machinery and equipment jumped 5.1% in the quarter. The advance was widespread with large gains reported in transportation equipment, computers and other office equipment, agricultural machinery, industrial machinery and telecommunications equipment. The level of machinery and equipment investment is just 0.6% below its second quarter of 2000 peak.

Machinery and Equipment Investment Strengthens in Second Quarter

\$ Chained 1997 billions



Real non-residential construction slipped marginally, falling 0.1% in the quarter, following a 1.8% decline in the previous quarter.

Pre-tax corporate profits continued their recovery from the fourth quarter 2001 trough, rising 5.4% in the second quarter, following a stronger first quarter gain of 13.2%. The manufacturing, wholesaling, retailing and financial services sectors all earned higher profits.

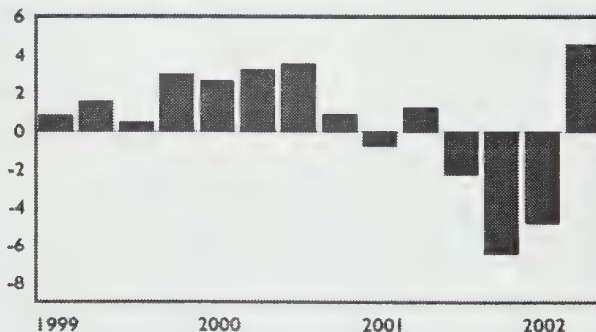
INVENTORY LEVELS RISE

Spurred by rising demand, businesses began rebuilding **real inventories** in the second quarter, adding over \$4.5 billion (annualized \$1997) to total business stocks, the first build-up since the second quarter of 2001.

Manufacturers, wholesalers and retailers all increased their stockpiles. The largest contributor was the rebuilding of motor vehicle stocks.

Inventory Accumulation

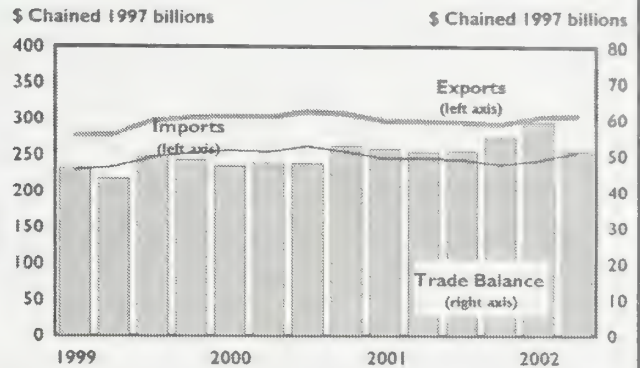
\$ Chained 1997 billions



EXPORTS GROWTH SLOWS

Ontario's **real exports** (which include both international and interprovincial exports) advanced 0.7% in the second quarter, following a 3.4% increase in the first quarter. The slowing of U.S. growth from 5.0% in the first quarter to 1.3% in the second quarter contributed to the more moderate export growth. Second quarter exports were boosted by robust auto exports along with export gains in industrial goods. These were partially offset by export declines in several other areas notably weaker machinery and equipment, agriculture and forestry products trade.

External Trade Balance



Real imports, were pulled higher by strong machinery and equipment investment, jumping 4.2% in the second quarter, after increasing 2.4% in the first quarter. Import gains were wide-spread with healthy advances in autos, other consumer goods, and machinery and equipment.

Ontario's overall trade balance, measured in \$1997, narrowed by \$8.1 billion in the second quarter, the first decline in a year.

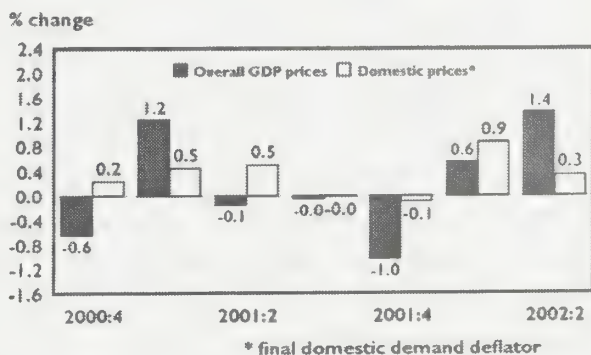
PRICES RISE IN SECOND QUARTER

Average prices, as measured by the **GDP price deflator**, rose 1.4%, more than twice the pace of the previous quarter.

A 2.5% appreciation of the Canadian dollar against the US dollar over the quarter contributed to a 0.8% drop in import prices. Since prices for Ontario consumers and business would have been higher without the lower import prices, this raised the price level for Ontario domestic production.

Higher prices were recorded for consumer (+0.6%) and government (+0.5%) spending, non-residential construction (+0.6%) and exports (+0.4%). A drop in machinery and equipment prices (-1.1%) moderated the overall price increase.

Inflation Up in Second Quarter



ONTARIO PRODUCTION BY INDUSTRY

INDUSTRIAL PRODUCTION IN THE SECOND QUARTER

Ontario's industrial output continued to grow in the second quarter of 2002, with output rising 0.9% (3.5% annualized), following a 1.8% advance in the first quarter.

Solid manufacturing growth (+1.4%) provided over one third of the gain in the second quarter, with the auto industry contributing a major portion of the advance. A significant rebound in the arts and entertainment sector (+8.3%) along with steady second quarter performances in Ontario's communications sector (+2.2%) and in its wholesale and retail trade sector (+1.4%) also contributed to the second quarter gain.

These gains were partially offset by declines in construction (-2.1%), and public administration output (-1.2%).

ONTARIO OUTPUT BY SECTOR

(% change from previous period, \$ 1997)

	2000	2001	2001:3	2001:4	2002:1	2002:2
Goods Sector	3.9	-3.5	-2.4	-0.3	3.4	0.7
Primary Industries	-1.7	-5.1	-2.4	-0.3	-2.4	1.3
Manufacturing	4.3	-5.6	-3.4	-1.2	4.5	1.4
Construction	4.5	5.4	2.4	2.1	2.9	-2.1
Utilities	4.1	-0.7	-3.4	1.6	0.5	-0.1
Service Sector	5.2	3.4	0.2	0.7	1.1	0.9
Transportation and Warehousing	4.5	-2.1	-0.8	-0.2	1.2	1.1
Wholesale and Retail Trade	6.5	1.8	-0.6	0.7	2.7	1.4
Finance, Insurance and Real Estate	4.5	3.7	0.8	1.1	1.0	0.9
Information and Cultural Industries	13.6	10.3	1.9	3.1	2.4	2.2
Public Administration	3.1	4.1	0.5	0.5	-1.1	-1.2
Ontario Output at Basic Prices (\$1997)	4.8	1.2	-0.6	0.4	1.8	0.9
(annualized rate on second line)			-2.2	1.7	7.3	3.5

Note: Real Output by sector continues to be based on a Laspeyres price index. Statistics Canada plans to release real output by sector on a chain Fisher basis in the fall of 2003.

MANUFACTURING OUTPUT: SECOND QUARTER OF STRONG GROWTH

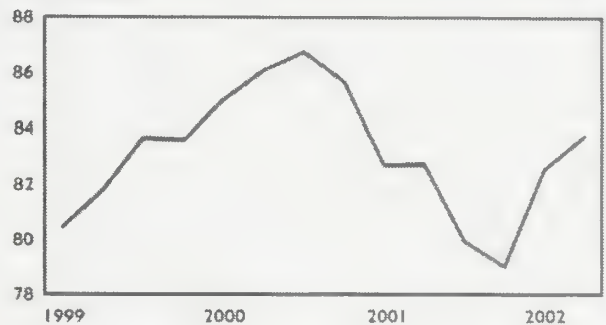
Manufacturing output remained strong for the second consecutive quarter following two negative quarters, with real output growing a solid 1.4% in the second quarter, after the healthy 4.5% jump in the first quarter. Higher manufacturing production was boosted by continued strength in consumer spending, a pickup in business investment and a modest rise in export demand.

Output rose in most manufacturing industries, led by the motor vehicle, chemical, wood products and machinery industries.

Over the first two quarters of 2002, Ontario's manufacturing sector has generated almost 54,000 net new jobs.

Total Manufacturing Output

\$ 1997 billions

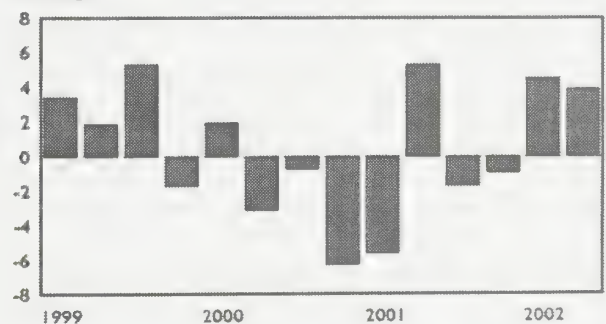


AUTO SECTOR LEADS GROWTH

Autos, which directly account for about 20 per cent of Ontario's manufacturing output, contributed more than half of the second quarter manufacturing output increase. Real output in this sector increased by 3.9%, with auto assembly up 4.4% and parts manufacturing up 3.7%. This was the second consecutive strong gain, spurred on by strong auto sales in both Canada and the U.S. Other manufacturing industries supplying inputs in car-making, such as plastic and rubber products, made significant gains as well.

Motor Vehicle and Parts Output

% change

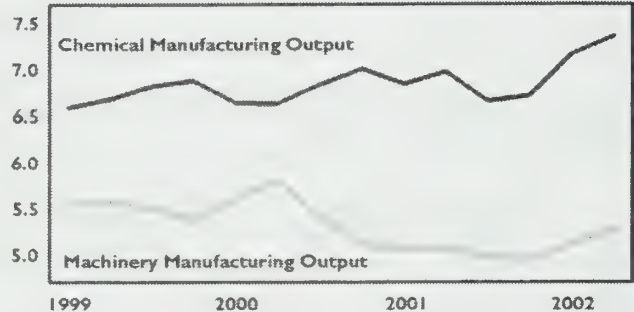


OTHER MANUFACTURING HIGHLIGHTS

The rebound in manufacturing activity was also visible in chemicals (+2.7%) and in machinery (+3.3%). The growth in chemicals was centered in the pharmaceutical industry, while demand for machinery was driven by increased business investment outlays.

Chemical and Machinery Manufacturing Output

\$ 1997 billions



CONSTRUCTION ACTIVITY FALLS IN SECOND QUARTER

Construction activity fell for the first time in two years, with real output dropping 2.1% in the second quarter, following a 2.9% gain in the first quarter.

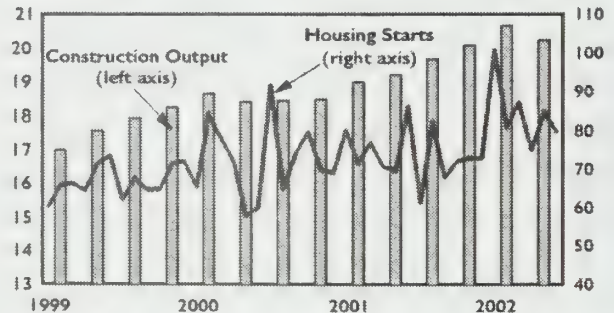
A major contributor was the dip in residential construction which fell 4.3% in the second quarter, following a 8.3% jump in the first quarter. After approaching historic highs, Ontario's housing boom moderated with housing starts dropping 10.8% in the second quarter, after surging 23.2% in the first quarter.

Non-residential construction also declined in the second quarter, with output dropping 0.6%.

Construction Output and Housing Starts

\$ 1997 billions

thousand units



ARTS AND ENTERTAINMENT REBOUNDS

Arts and entertainment activity rebounded sharply in the second quarter, with real output soaring 8.3%.

The gaming and spectator sports industries registered large gains early in the second quarter.

Arts, Entertainment and Recreation Output

\$ 1997 billions

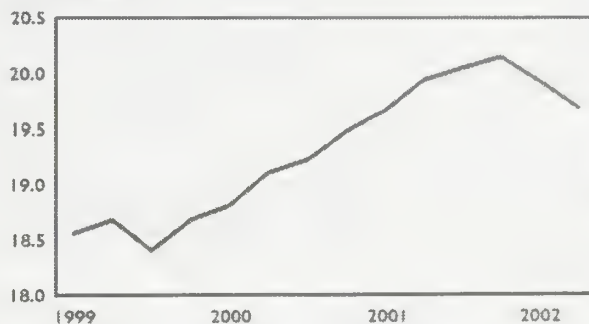


PUBLIC ADMINISTRATION DECLINE

The output of the public administration sector fell 1.2% in the second quarter, following a similar decline in the first quarter. A strike by Government of Ontario employees which started in mid-March and ended in early May reduced output in provincial public administration.

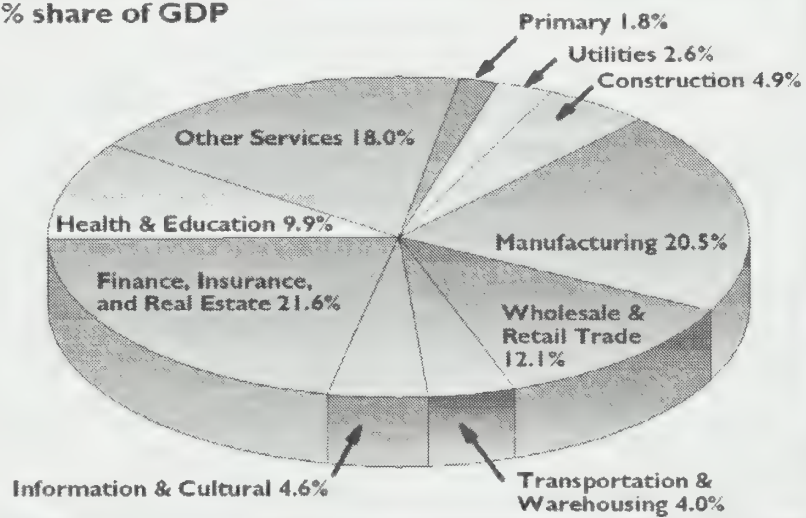
Public Administration Output

\$ 1997 billions



Structure of the Ontario Economy, 2001

% share of GDP



Ontario Economic Accounts: Summary

(1999:1 - 2002:2)

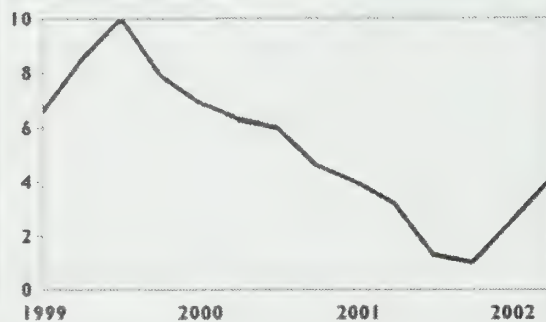
**Gross Domestic Product
(Chained \$ 1997)**

% change, year-over-year



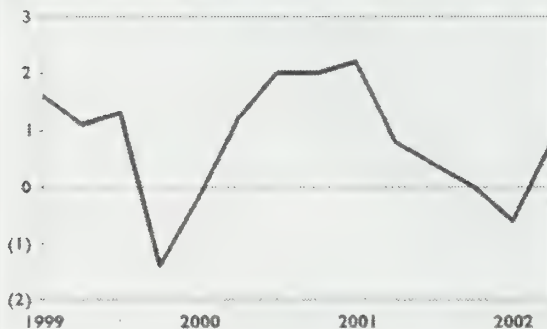
**Gross Domestic Product
(\$ Current)**

% change, year-over-year



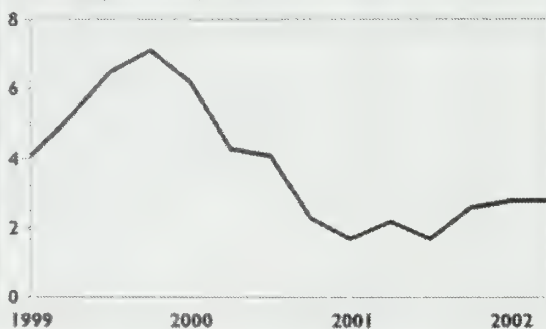
**GDP Deflator
(1997 = 100)**

% change, year-over-year



**Final Domestic Demand
(Chained \$ 1997)**

% change, year-over-year



**Personal Income
(\$ Current)**

% change, year-over-year



**Personal Disposable Income
(\$ Current)**

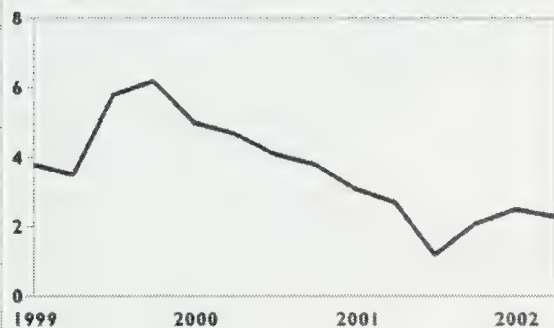
% change, year-over-year



Ontario Economic Accounts: Summary (1999:1 - 2002:2)

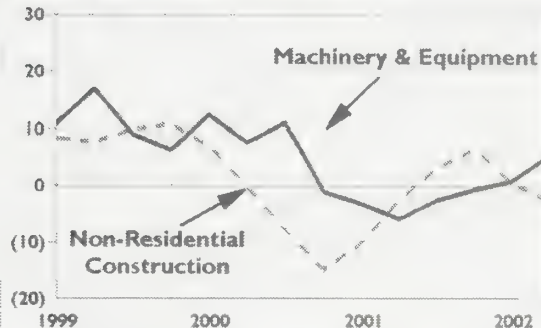
Consumer Spending (Chained \$ 1997)

% change, year-over-year



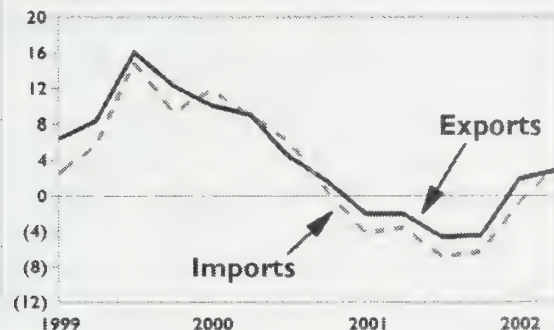
Business Plant & Equipment (Chained \$ 1997)

% change, year-over-year



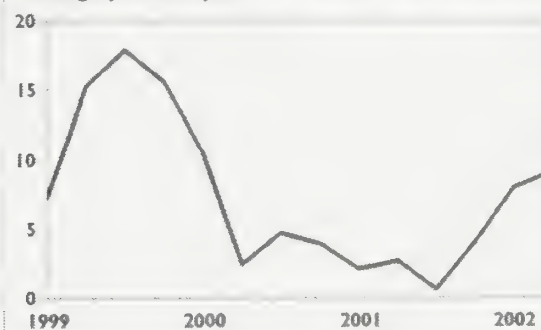
Trade (Chained \$ 1997)

% change, year-over-year



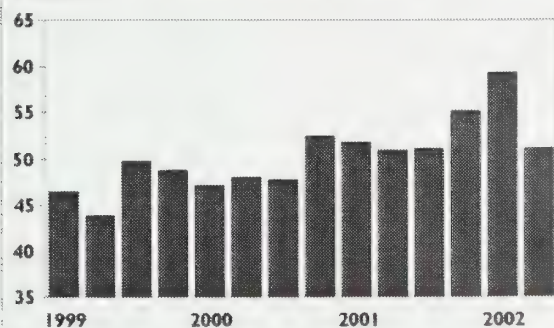
Residential Construction (Chained \$ 1997)

% change, year-over-year



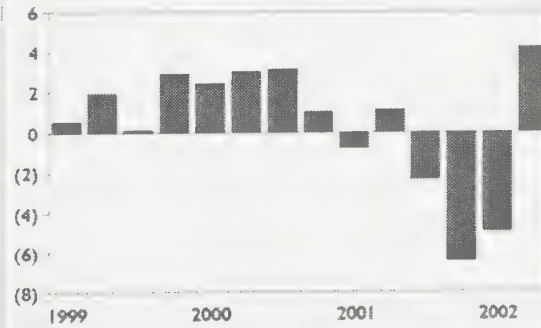
Net Exports (Chained \$ 1997)

\$ billions



Change in Inventories (Chained \$ 1997)

\$ billions



LIST OF TABLES

INCOME AND EXPENDITURE DATA

Quarterly Data, 1999:1–2002:2

Table 1: Ontario Gross Domestic Product (Income-Based)	16
Table 2: Ontario Gross Domestic Product (Expenditure-Based)	18
Table 3: Ontario Gross Domestic Product at Chained 1997 Prices	20
Table 4: Sources and Disposition of Ontario Personal Income	22
Table 5: Ontario Trade	24
Table 6: Ontario Deflators	26

Annual Data, 1998–2001

Table 7: Ontario Gross Domestic Product (Income-Based)	28
Table 8: Ontario Gross Domestic Product (Expenditure-Based)	29
Table 9: Ontario Gross Domestic Product at Chained 1997 Prices	30
Table 10: Sources and Disposition of Ontario Personal Income	31
Table 11: Ontario Trade	32
Table 12: Ontario Deflators	33

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

Table 13: Quarterly Data, 1999:1 - 2002:2	34
Table 14: Annual Data, 1998-2001	36

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted at annual rates, millions of dollars

	1999				2000			
	I	II	III	IV	I	II	III	IV
1. Wages, salaries and supplementary labour income (domestic basis)	208,335 2.2	213,087 2.3	216,382 1.5	220,336 1.8	226,802 2.9	233,165 2.8	236,520 1.4	239,062 1.1
2. Corporation profits before taxes	47,481 7.7	48,109 1.3	50,835 5.7	50,567 -0.5	50,029 -1.1	49,700 -0.7	49,435 -0.5	48,600 -1.7
3. Interest and miscellaneous investment income	17,771 -5.0	17,180 -3.3	17,412 1.4	17,364 -0.3	17,989 3.6	17,778 -1.2	18,021 1.4	17,332 -3.8
4. Accrued net income of farm operators from farm production	110 150.2	230 108.3	263 14.4	321 22.3	332 3.2	299 -10.0	221 -26.1	221 0.0
5. Net income of non-farm unincorporated business including rent	24,726 2.7	25,441 2.9	26,250 3.2	26,815 2.2	26,742 -0.3	27,042 1.1	27,363 1.2	27,654 1.1
6. Inventory valuation adjustment	-407	-32	-1,998	-1,847	-1,821	-1,065	137	-2,671
7. Net Domestic Income at factor cost	298,017 3.2	304,014 2.0	309,145 1.7	313,556 1.4	320,072 2.1	326,917 2.1	331,696 1.5	330,198 -0.5
8. Indirect taxes less subsidies	52,393 1.2	54,209 3.5	55,899 3.1	56,931 1.8	56,242 -1.2	56,503 0.5	57,251 1.3	57,739 0.9
9. Capital consumption allowances and miscellaneous valuation adjustments	47,366 -0.1	48,270 1.9	48,525 0.5	48,070 -0.9	48,718 1.3	48,854 0.3	49,587 1.5	50,005 0.8
10. Gross Domestic Product at market prices	397,776 2.5	406,493 2.2	413,569 1.7	418,558 1.2	425,032 1.5	432,274 1.7	438,534 1.4	437,943 -0.1
	* 10.4	9.1	7.1	4.9	6.3	7.0	5.9	-0.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED
TABLE 1
Seasonally adjusted at annual rates, millions of dollars

	2001				2002	
	I	II	III	IV	I	II
1. Wages, salaries and supplementary labour income (domestic basis)	242,326 1.4	244,075 0.7	244,585 0.2	245,246 0.3	249,170 1.6	252,908 1.5
2. Corporation profits before taxes	46,299 -4.7	46,012 -0.6	39,465 -14.2	35,191 -10.8	39,837 13.2	41,988 5.4
3. Interest and miscellaneous investment income	17,995 3.8	17,453 -3.0	16,814 -3.7	16,390 -2.5	16,538 0.9	17,050 3.1
4. Accrued net income of farm operators from farm production	422 91.0	464 9.9	594 28.1	452 -23.9	424 -6.2	406 -4.3
5. Net income of non-farm unincorporated business including rent	27,540 -0.4	27,827 1.0	28,407 2.1	29,010 2.1	29,967 3.3	30,866 3.0
6. Inventory valuation adjustment	-807	172	546	449	-1,748	354
7. Net Domestic Income at factor cost	333,774 1.1	336,003 0.7	330,413 -1.7	326,739 -1.1	334,188 2.3	343,572 2.8
8. Indirect taxes less subsidies	56,956 -1.4	58,201 2.2	60,366 3.7	60,956 1.0	62,785 3.0	63,664 1.4
9. Capital consumption allowances and miscellaneous valuation adjustments	51,513 3.0	52,041 1.0	53,628 3.1	54,819 2.2	56,244 2.6	57,088 1.5
10. Gross Domestic Product at market prices	442,243 1.0 * 4.0	446,242 0.9 3.7	444,407 -0.4 -1.6	442,514 -0.4 -1.7	453,217 2.4 10.0	464,324 2.5 10.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted at annual rates, millions of dollars

	1999				2000			
	I	II	III	IV	I	II	III	IV
1. Personal expenditure on consumer goods and services:	216,730 2.0	221,834 2.4	227,786 2.7	229,257 0.6	232,760 1.5	236,024 1.4	242,331 2.7	244,117 0.7
2. Goods	96,423 3.0	99,457 3.1	102,707 3.3	102,993 0.3	104,851 1.8	106,110 1.2	109,261 3.0	109,590 0.3
3. Services	120,307 1.3	122,377 1.7	125,079 2.2	126,264 0.9	127,909 1.3	129,914 1.6	133,070 2.4	134,527 1.1
4. Government expenditure on goods and services:	74,417 2.2	75,334 1.2	76,336 1.3	77,815 1.9	78,474 0.8	80,420 2.5	81,868 1.8	81,898 0.0
5. Current expenditure	66,274 1.8	66,832 0.8	67,641 1.2	68,770 1.7	69,282 0.7	71,487 3.2	72,679 1.7	72,637 -0.1
6. Capital expenditure	8,142 6.0	8,502 4.4	8,696 2.3	9,044 4.0	9,193 1.6	8,934 -2.8	9,189 2.9	9,261 0.8
7. Business gross fixed capital formation:	63,079 1.2	66,547 5.5	65,336 -1.8	68,066 4.2	69,685 2.4	70,165 0.7	69,973 -0.3	68,752 -1.7
8. Residential construction	18,732 7.6	20,276 8.2	20,646 1.8	20,890 1.2	21,687 3.8	21,056 -2.9	22,116 5.0	22,466 1.6
9. Non-residential construction	11,075 3.5	11,359 2.6	11,656 2.6	12,063 3.5	12,173 0.9	11,832 -2.8	11,270 -4.7	10,981 -2.6
10. Machinery and equipment	33,272 -2.8	34,912 4.9	33,034 -5.4	35,114 6.3	35,825 2.0	37,278 4.1	36,588 -1.9	35,305 -3.5
11. Exports of goods and services	280,398 1.9	278,853 -0.6	299,485 7.4	307,130 2.6	310,988 1.3	311,451 0.1	317,562 2.0	319,019 0.5
12. DEDUCT: Imports of goods and services	236,856 -0.3	237,719 0.4	255,627 7.5	264,481 3.5	268,383 1.5	269,866 0.6	277,476 2.8	278,000 0.2
13. Value of physical change in inventories:	-1,832	1,437	1,144	1,978	1,589	2,627	2,343	305
14. Non-farm	-1,721	1,379	1,361	2,153	1,914	2,769	2,605	337
15. Farm and grain in commercial channels	-111	59	-217	-174	-325	-142	-262	-32
16. Statistical discrepancy	1,841	208	-892	-1,207	-82	1,453	1,932	1,852
17. Gross Domestic Product at market prices	397,776 2.5	406,493 2.2	413,569 1.7	418,558 1.2	425,032 1.5	432,274 1.7	438,534 1.4	437,943 -0.1
* Annualized per cent change from previous quarter.	10.4	9.1	7.1	4.9	6.3	7.0	5.9	-0.5
18. Final domestic demand	354,226 1.9	363,715 2.7	369,459 1.6	375,138 1.5	380,919 1.5	386,610 1.5	394,173 2.0	394,767 0.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted at annual rates, millions of dollars

	2001				2002	
	I	II	III	IV	I	II
1. Personal expenditure on consumer goods and services:	245,873 0.7	249,301 1.4	249,466 0.1	251,469 0.8	254,813 1.3	257,491 1.1
2. Goods	110,213 0.6	112,338 1.9	111,318 -0.9	113,107 1.6	115,483 2.1	115,876 0.3
3. Services	135,661 0.8	136,963 1.0	138,148 0.9	138,362 0.2	139,330 0.7	141,615 1.6
4. Government expenditure on goods and services:	82,739 1.0	83,973 1.5	85,447 1.8	86,420 1.1	86,327 -0.1	87,239 1.1
5. Current expenditure	72,956 0.4	73,877 1.3	75,120 1.7	75,431 0.4	75,129 -0.4	75,723 0.8
6. Capital expenditure	9,783 5.6	10,096 3.2	10,327 2.3	10,989 6.4	11,198 1.9	11,516 2.8
7. Business gross fixed capital formation:	69,283 0.8	70,070 1.1	70,672 0.9	70,455 -0.3	73,167 3.8	74,581 1.9
8. Residential construction	22,546 0.4	22,516 -0.1	22,969 2.0	24,249 5.6	25,773 6.3	25,714 -0.2
9. Non-residential construction	11,435 4.1	11,817 3.3	11,862 0.4	11,722 -1.2	11,581 -1.2	11,644 0.5
10. Machinery and equipment	35,301 0.0	35,738 1.2	35,840 0.3	34,485 -3.8	35,812 3.9	37,223 3.9
11. Exports of goods and services	312,637 -2.0	310,542 -0.7	306,218 -1.4	300,347 -1.9	310,839 3.5	314,305 1.1
12. DEDUCT: Imports of goods and services	269,375 -3.1	268,814 -0.2	264,242 -1.7	256,205 -3.0	264,135 3.1	272,917 3.3
13. Value of physical change in inventories:	-1,670	-447	-2,648	-8,071	-6,635	4,860
14. Non-farm	-1,604	-241	-2,468	-7,872	-6,458	5,044
15. Farm and grain in commercial channels	-67	-206	-179	-200	-177	-184
16. Statistical discrepancy	2,755	1,617	-507	-1,901	-1,159	-1,235
17. Gross Domestic Product at market prices	442,243 1.0 * 4.0	446,242 0.9 3.7	444,407 -0.4 -1.6	442,514 -0.4 -1.7	453,217 2.4 10.0	464,324 2.5 10.2
18. Final domestic demand	397,895 0.8	403,344 1.4	405,585 0.6	408,344 0.7	414,307 1.5	419,310 1.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 3

Seasonally adjusted at annual rates, millions of chained (1997) dollars

	1999				2000			
	I	II	III	IV	I	II	III	IV
1. Personal expenditure on consumer goods and services:	212,151	215,183	219,912	220,903	222,845	225,351	228,979	229,337
	2.0	1.4	2.2	0.5	0.9	1.1	1.6	0.2
2. Goods	95,305	96,944	99,739	100,057	100,893	101,984	104,070	103,269
	2.9	1.7	2.9	0.3	0.8	1.1	2.0	-0.8
3. Services	116,875	118,282	120,230	120,921	122,035	123,457	125,000	126,180
	1.2	1.2	1.6	0.6	0.9	1.2	1.3	0.9
4. Government expenditure on goods and services:	73,369	74,119	74,844	76,712	77,287	75,978	76,916	78,259
	2.5	1.0	1.0	2.5	0.8	-1.7	1.2	1.7
5. Current expenditure	65,101	65,515	66,135	67,738	68,273	67,149	67,880	69,254
	2.2	0.6	0.9	2.4	0.8	-1.6	1.1	2.0
6. Capital expenditure	8,234	8,595	8,720	9,006	9,034	8,833	9,032	8,984
	5.6	4.4	1.5	3.3	0.3	-2.2	2.3	-0.5
7. Business gross fixed capital formation:	61,800	65,627	64,500	67,745	68,599	68,764	68,211	66,182
	0.2	6.2	-1.7	5.0	1.3	0.2	-0.8	-3.0
8. Residential construction	18,256	19,298	19,515	19,740	20,172	19,766	20,435	20,514
	6.9	5.7	1.1	1.2	2.2	-2.0	3.4	0.4
9. Non-residential construction	10,719	10,911	11,202	11,612	11,471	10,890	10,328	9,887
	2.4	1.8	2.7	3.7	-1.2	-5.1	-5.2	-4.3
10. Machinery and equipment	32,869	35,412	33,780	36,331	36,943	38,147	37,537	35,921
	-3.8	7.7	-4.6	7.6	1.7	3.3	-1.6	-4.3
11. Exports of goods and services	276,084	278,421	297,345	302,294	303,950	303,367	310,573	307,173
	2.6	0.8	6.8	1.7	0.5	-0.2	2.4	-1.1
12. DEDUCT: Imports of goods and services	229,556	234,496	247,474	253,442	256,730	255,282	262,717	254,594
	-1.0	2.2	5.5	2.4	1.3	-0.6	2.9	-3.1
13. Value of physical change in inventories:	544	1,947	174	2,946	2,448	3,026	3,138	1,003
14. Non-farm	811	1,503	442	2,936	2,637	3,190	3,506	867
15. Farm and grain in commercial channels	-272	441	-270	10	-194	-174	-381	118
16. Statistical discrepancy	-1,810	889	522	351	1,369	674	1,539	1,494
17. Gross Domestic Product at market prices	392,173	401,515	409,890	417,830	419,848	421,778	426,310	428,448
	2.7	2.4	2.1	1.9	0.5	0.5	1.1	0.5
*	11.3	9.9	8.6	8.0	1.9	1.9	4.4	2.0
18. Final domestic demand	347,258	354,917	359,217	365,376	368,737	370,067	374,066	373,737
	1.8	2.2	1.2	1.7	0.9	0.4	1.1	-0.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 3

Seasonally adjusted at annual rates, millions of chained (1997) dollars

	2001				2002	
	I	II	III	IV	I	II
1. Personal expenditure on consumer goods and services:	229,863 0.2	231,407 0.7	231,639 0.1	234,083 1.1	235,702 0.7	236,842 0.5
2. Goods	103,270 0.0	104,154 0.9	103,831 -0.3	106,597 2.7	108,251 1.6	107,757 -0.5
3. Services	126,719 0.4	127,384 0.5	127,958 0.5	127,611 -0.3	127,560 0.0	129,213 1.3
4. Government expenditure on goods and services:	78,633 0.5	80,032 1.8	80,829 1.0	81,566 0.9	81,141 -0.5	81,553 0.5
5. Current expenditure	69,058 -0.3	70,167 1.6	70,719 0.8	70,816 0.1	70,364 -0.6	70,468 0.1
6. Capital expenditure	9,543 6.2	9,862 3.3	10,134 2.8	10,761 6.2	10,788 0.3	11,095 2.8
7. Business gross fixed capital formation:	66,546 0.5	66,825 0.4	67,892 1.6	67,697 -0.3	68,734 1.5	70,491 2.6
8. Residential construction	20,594 0.4	20,294 -1.5	20,557 1.3	21,351 3.9	22,234 4.1	22,163 -0.3
9. Non-residential construction	10,298 4.2	10,623 3.2	10,652 0.3	10,544 -1.0	10,351 -1.8	10,341 -0.1
10. Machinery and equipment	35,746 -0.5	35,917 0.5	36,602 1.9	35,711 -2.4	36,062 1.0	37,900 5.1
11. Exports of goods and services	297,866 -3.0	297,045 -0.3	295,858 -0.4	293,403 -0.8	303,380 3.4	305,579 0.7
12. DEDUCT: Imports of goods and services	245,934 -3.4	246,049 0.0	244,667 -0.6	238,242 -2.6	244,078 2.4	254,330 4.2
13. Value of physical change in inventories:	-753	1,102	-2,362	-6,455	-4,993	4,196
14. Non-farm	-726	1,218	-2,245	-6,408	-4,817	4,542
15. Farm and grain in commercial channels	-46	-134	-135	-65	-194	-364
16. Statistical discrepancy	391	820	405	284	350	582
17. Gross Domestic Product at market prices	427,313 -0.3 * -1.1	431,760 1.0 4.2	430,163 -0.4 -1.5	432,768 0.6 2.4	440,766 1.8 7.6	445,503 1.1 4.4
18. Final domestic demand	375,011 0.3	378,242 0.9	380,386 0.6	383,337 0.8	385,554 0.6	388,878 0.9

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted at annual rates, millions of dollars

	1999				2000			
	I	II	III	IV	I	II	III	IV
1. Wages, salaries and supplementary labour income (national basis)	206,045 2.4	210,875 2.3	214,127 1.5	218,069 1.8	223,921 2.7	230,102 2.8	233,234 1.4	235,711 1.1
2. Net income of farm operators from farm production	110 150.2	230 108.3	263 14.4	321 22.3	332 3.2	299 -10.0	221 -26.1	221 0.0
3. Net income of non-farm unincorporated business including rent	24,726 2.7	25,441 2.9	26,250 3.2	26,815 2.2	26,742 -0.3	27,042 1.1	27,363 1.2	27,654 1.1
4. Interest, dividends and miscellaneous investment income	44,245 -0.8	44,397 0.3	44,849 1.0	44,958 0.2	46,109 2.6	46,676 1.2	47,072 0.8	48,979 4.1
5. Current transfers from government, corporations and non-residents	39,343 -1.3	39,429 0.2	39,733 0.8	39,972 0.6	42,683 6.8	40,783 -4.5	40,923 0.3	40,887 -0.1
6. Equals Personal income	314,469 1.5	320,370 1.9	325,222 1.5	330,135 1.5	339,786 2.9	344,902 1.5	348,813 1.1	353,451 1.3
7. Deduct Personal direct taxes	55,913 2.2	56,334 0.8	57,329 1.8	58,208 1.5	59,435 2.1	60,308 1.5	60,609 0.5	58,288 -3.8
8. Other current transfers to government	20,070 2.8	20,411 1.7	20,739 1.6	21,205 2.2	22,375 5.5	22,852 2.1	23,284 1.9	23,609 1.4
9. Equals Personal disposable income	238,486 1.2	243,625 2.2	247,154 1.4	250,723 1.4	257,977 2.9	261,742 1.5	264,921 1.2	271,554 2.5
10. Deduct Personal expenditure on consumer goods and services	216,730 2.0	221,834 2.4	227,786 2.7	229,257 0.6	232,760 1.5	236,024 1.4	242,331 2.7	244,117 0.7
11. Current transfers to corporations	3,830 5.2	3,904 1.9	4,225 8.2	4,330 2.5	4,348 0.4	4,634 6.6	4,852 4.7	5,102 5.1
12. Current transfers to non-residents	551 -0.2	563 2.2	583 3.5	599 2.7	574 -4.1	586 2.1	596 1.5	604 1.4
13. Equals Personal saving	17,376 -8.2	17,323 -0.3	14,560 -16.0	16,537 13.6	20,295 22.7	20,497 1.0	17,141 -16.4	21,732 26.8
14. Personal savings rate	7.3	7.1	5.9	6.6	7.9	7.8	6.5	8.0

Note: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted at annual rates, millions of dollars

	2001				2002	
	I	II	III	IV	I	II
1. Wages, salaries and supplementary labour income (national basis)	239,157 1.5	240,846 0.7	241,344 0.2	241,844 0.2	245,714 1.6	249,399 1.5
2. Net income of farm operators from farm production	422 91.0	464 9.9	594 28.1	452 -23.9	424 -6.2	406 -4.3
3. Net income of non-farm unincorporated business including rent	27,540 -0.4	27,827 1.0	28,407 2.1	29,010 2.1	29,967 3.3	30,866 3.0
4. Interest, dividends and miscellaneous investment income	47,770 -2.5	47,229 -1.1	46,670 -1.2	45,359 -2.8	44,316 -2.3	43,740 -1.3
5. Current transfers from government, corporations and non-residents	44,397 8.6	42,943 -3.3	43,589 1.5	43,843 0.6	44,763 2.1	44,674 -0.2
6. Equals Personal income	359,286 1.7	359,309 0.0	360,604 0.4	360,509 0.0	365,185 1.3	369,086 1.1
7. Deduct Personal direct taxes	61,211 5.0	61,790 0.9	62,970 1.9	62,677 -0.5	62,489 -0.3	61,115 -2.2
8. Other current transfers to government	24,432 3.5	24,671 1.0	25,082 1.7	25,359 1.1	25,917 2.2	26,202 1.1
9. Equals Personal disposable income	273,644 0.8	272,848 -0.3	272,552 -0.1	272,472 0.0	276,778 1.6	281,769 1.8
10. Deduct Personal expenditure on consumer goods and services	245,873 0.7	249,301 1.4	249,466 0.1	251,469 0.8	254,813 1.3	257,491 1.1
11. Current transfers to corporations	5,363 5.1	5,479 2.2	5,544 1.2	5,670 2.3	5,330 -6.0	5,218 -2.1
12. Current transfers to non-residents	628 4.1	688 9.5	716 4.0	723 1.1	673 -7.0	727 8.0
13. Equals Personal saving	21,779 0.2	17,380 -20.2	16,826 -3.2	14,609 -13.2	15,963 9.3	18,333 14.9
14. Personal savings rate	8.0	6.4	6.2	5.4	5.8	6.5

Note: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 5***Seasonally adjusted at annual rates, millions of dollars*

	1999				2000			
	I	II	III	IV	I	II	III	IV
1. Exports of Goods and Services	280,398 1.9	278,853 -0.6	299,485 7.4	307,130 2.6	310,988 1.3	311,451 0.1	317,562 2.0	319,019 0.5
2. Of Which : International	210,149 2.2	206,823 -1.6	220,051 6.4	225,826 2.6	231,902 2.7	234,079 0.9	236,422 1.0	241,678 2.2
3. Of Which : Interprovincial	70,249 0.9	72,030 2.5	79,435 10.3	81,303 2.4	79,086 -2.7	77,372 -2.2	81,140 4.9	77,342 -4.7
4. Imports of Goods and Services	236,856 -0.3	237,719 0.4	255,627 7.5	264,481 3.5	268,383 1.5	269,866 0.6	277,476 2.8	278,000 0.2
5. Trade Balance	43,542	41,133	43,858	42,648	42,605	41,585	40,086	41,020

Note: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources:** Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE

TABLE 5

Seasonally adjusted at annual rates, millions of dollars

	2001				2002	
	I	II	III	IV	I	II
1. Exports of Goods and Services	312,637 -2.0	310,542 -0.7	306,218 -1.4	300,347 -1.9	310,839 3.5	314,305 1.1
2. Of Which: International	233,123 -3.5	229,115 -1.7	222,252 -3.0	216,547 -2.6	224,775 3.8	226,349 0.7
3. Of Which: Interprovincial	79,514 2.8	81,427 2.4	83,966 3.1	83,801 -0.2	86,063 2.7	87,957 2.2
4. Imports of Goods and Services	269,375 -3.1	268,814 -0.2	264,242 -1.7	256,205 -3.0	264,135 3.1	272,917 3.3
5. Trade Balance	43,263	41,728	41,976	44,142	46,704	41,388

Note: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources:** Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

1997 = 100

	1999				2000			
	I	II	III	IV	I	II	III	IV
1. Personal expenditure on consumer goods and services:	102.2 0.1	103.1 0.9	103.6 0.5	103.8 0.2	104.4 0.6	104.7 0.3	105.8 1.0	106.4 0.6
2. Goods	101.2 0.1	102.6 1.4	103.0 0.4	102.9 0.0	103.9 1.0	104.0 0.1	105.0 0.9	106.1 1.1
3. Services	102.9 0.1	103.5 0.5	104.0 0.6	104.4 0.4	104.8 0.4	105.2 0.4	106.5 1.2	106.6 0.2
4. Government expenditure on goods and services:	101.4 -0.3	101.6 0.2	102.0 0.3	101.4 -0.5	101.5 0.1	105.8 4.2	106.4 0.6	104.6 -1.7
5. Current expenditure	101.8 -0.4	102.0 0.2	102.3 0.3	101.5 -0.7	101.5 0.0	106.5 4.9	107.1 0.6	104.9 -2.0
6. Capital expenditure	98.9 0.4	98.9 0.0	99.7 0.8	100.4 0.7	101.7 1.3	101.1 -0.6	101.7 0.6	103.1 1.3
7. Business gross fixed capital formation:	102.1 1.0	101.4 -0.7	101.3 -0.1	100.5 -0.8	101.6 1.1	102.0 0.4	102.6 0.5	103.9 1.3
8. Residential construction	102.7 0.7	105.1 2.4	105.8 0.7	105.9 0.0	107.5 1.6	106.5 -0.9	108.2 1.6	109.5 1.2
9. Non-residential construction	103.3 1.0	104.1 0.8	104.1 0.0	103.9 -0.1	106.0 2.0	108.6 2.4	109.0 0.4	111.0 1.8
10. Machinery and equipment	101.2 1.0	98.6 -2.6	97.8 -0.8	96.6 -1.2	97.0 0.4	97.7 0.8	97.5 -0.3	98.3 0.8
11. Exports of goods and services	101.6 -0.7	100.1 -1.4	100.7 0.6	101.6 0.9	102.3 0.7	102.7 0.3	102.3 -0.4	103.9 1.6
12. DEDUCT: Imports of goods and services	103.2 0.7	101.4 -1.7	103.3 1.9	104.4 1.0	104.5 0.2	105.7 1.1	105.6 -0.1	109.2 3.4
13. Gross Domestic Product at market prices	101.4 -0.2 * -0.8	101.2 -0.2 -0.7	100.9 -0.3 -1.3	100.2 -0.7 -2.8	101.2 1.1 4.3	102.5 1.2 5.0	102.9 0.4 1.5	102.2 -0.6 -2.5
14. Final domestic demand	102.0 0.2	102.5 0.5	102.9 0.4	102.7 -0.2	103.3 0.6	104.5 1.1	105.4 0.9	105.6 0.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

1997 = 100

	2001				2002	
	I	II	III	IV	I	II
1. Personal expenditure on consumer goods and services:	107.0 0.5	107.7 0.7	107.7 0.0	107.4 -0.2	108.1 0.6	108.7 0.6
2. <i>Goods</i>	106.7 0.6	107.9 1.1	107.2 -0.6	106.1 -1.0	106.7 0.5	107.5 0.8
3. <i>Services</i>	107.0 0.4	107.5 0.4	108.0 0.4	108.4 0.4	109.2 0.7	109.6 0.3
4. Government expenditure on goods and services:	105.2 0.5	104.9 -0.3	105.7 0.8	106.0 0.2	106.4 0.4	107.0 0.5
5. <i>Current expenditure</i>	105.6 0.7	105.3 -0.3	106.2 0.9	106.5 0.3	106.8 0.2	107.5 0.6
6. <i>Capital expenditure</i>	102.5 -0.5	102.4 -0.1	101.9 -0.5	102.1 0.2	103.8 1.6	103.8 0.0
7. Business gross fixed capital formation:	104.1 0.3	104.9 0.7	104.1 -0.7	104.1 0.0	106.4 2.3	105.8 -0.6
8. <i>Residential construction</i>	109.5 0.0	111.0 1.3	111.8 0.7	113.6 1.6	115.9 2.1	116.0 0.1
9. <i>Non-residential construction</i>	111.0 0.1	111.2 0.2	111.4 0.1	111.2 -0.2	111.9 0.6	112.6 0.6
10. <i>Machinery and equipment</i>	98.8 0.5	99.5 0.8	97.9 -1.6	96.6 -1.4	99.3 2.8	98.2 -1.1
11. Exports of goods and services	105.0 1.1	104.5 -0.4	103.5 -1.0	102.4 -1.1	102.5 0.1	102.9 0.4
12. DEDUCT: Imports of goods and services	109.5 0.3	109.3 -0.3	108.0 -1.1	107.5 -0.4	108.2 0.6	107.3 -0.8
13. Gross Domestic Product at market prices	103.5 1.2	103.4 -0.1	103.3 0.0	102.3 -1.0	102.8 0.6	104.2 1.4
	* 5.1	* -0.5	* -0.2	* -4.0	2.3	5.6
14. Final domestic demand	106.1 0.5	106.6 0.5	106.6 0.0	106.5 -0.1	107.5 0.9	107.8 0.3

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 7

millions of dollars

	1998	1999	2000	2001
1. Wages, salaries and supplementary labour income (<i>domestic basis</i>)	199,854 5.6	214,535 7.3	233,887 9.0	244,058 4.3
2. Corporation profits before taxes	39,501 5.2	49,248 24.7	49,441 0.4	41,742 -15.6
3. Interest and miscellaneous investment income	17,130 1.4	17,432 1.8	17,780 2.0	17,163 -3.5
4. Accrued net income of farm operators from farm production	235 -4.5	231 -1.7	268 16.0	483 80.2
5. Net income of non-farm unincorporated business including rent	24,050 6.2	25,808 7.3	27,200 5.4	28,196 3.7
6. Inventory valuation adjustment	-521	-1,071	-1,355	90
7. Net Domestic Income at factor cost	280,249 5.3	306,183 9.3	327,221 6.9	331,732 1.4
8. Indirect taxes less subsidies	51,436 3.6	54,858 6.7	56,934 3.8	59,120 3.8
9. Capital consumption allowances and miscellaneous valuation adjustments	46,212 6.2	48,058 4.0	49,291 2.6	53,000 7.5
10. Gross Domestic Product at market prices	377,897 5.2	409,099 8.3	433,446 6.0	443,852 2.4

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 8***millions of dollars*

	1998	1999	2000	2001
1. Personal expenditure on consumer goods and services:	209,866 4.9	223,902 6.7	238,808 6.7	249,027 4.3
2. <i>Goods</i>	92,905 5.0	100,395 8.1	107,453 7.0	111,744 4.0
3. <i>Services</i>	116,961 4.8	123,507 5.6	131,355 6.4	137,283 4.5
4. Government expenditure on goods and services:	73,024 3.5	75,975 4.0	80,665 6.2	84,645 4.9
5. <i>Current expenditure</i>	65,646 4.6	67,379 2.6	71,521 6.1	74,346 3.9
6. <i>Capital expenditure</i>	7,378 -5.2	8,596 16.5	9,144 6.4	10,299 12.6
7. Business gross fixed capital formation:	59,448 5.3	65,757 10.6	69,644 5.9	70,120 0.7
8. <i>Residential construction</i>	17,227 0.4	20,136 16.9	21,831 8.4	23,070 5.7
9. <i>Non-residential construction</i>	10,374 3.7	11,538 11.2	11,564 0.2	11,709 1.3
10. <i>Machinery and equipment</i>	31,847 8.8	34,083 7.0	36,249 6.4	35,341 -2.5
11. Exports of goods and services	263,663 8.7	291,466 10.5	314,755 8.0	307,436 -2.3
12. DEDUCT: Imports of goods and services	229,462 7.6	248,671 8.4	273,431 10.0	264,659 -3.2
13. Value of physical change in inventories:	1,649	682	1,716	-3,209
14. <i>Non-farm</i>	1,800	793	1,906	-3,046
15. <i>Farm and grain in commercial channels</i>	-151	-111	-190	-163
16. Statistical discrepancy	-291	-12	1,289	491
17. Gross Domestic Product at market prices	377,897 5.2	409,099 8.3	433,446 6.0	443,852 2.4
18. Final domestic demand	342,338 4.7	365,634 6.8	389,117 6.4	403,792 3.8

Note: Per cent change from previous year is given on the second line.**Sources:** Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 9***millions of chained (1997) dollars*

	1998	1999	2000	2001
1. Personal expenditure on consumer goods and services:	207,083 3.5	217,038 4.8	226,628 4.4	231,748 2.3
2. Goods	92,388 4.4	98,011 6.1	102,554 4.6	104,463 1.9
3. Services	114,703 2.8	119,077 3.8	124,168 4.3	127,418 2.6
4. Government expenditure on goods and services:	71,964 2.0	74,761 3.9	77,110 3.1	80,265 4.1
5. Current expenditure	64,616 3.0	66,122 2.3	68,139 3.1	70,190 3.0
6. Capital expenditure	7,348 -5.6	8,639 17.6	8,971 3.8	10,075 12.3
7. Business gross fixed capital formation:	58,278 3.3	64,918 11.4	67,939 4.7	67,240 -1.0
8. Residential construction	16,845 -1.8	19,202 14.0	20,222 5.3	20,699 2.4
9. Non-residential construction	10,170 1.6	11,111 9.3	10,644 -4.2	10,529 -1.1
10. Machinery and equipment	31,265 6.8	34,598 10.7	37,137 7.3	35,994 -3.1
11. Exports of goods and services	260,372 7.3	288,536 10.8	306,266 6.1	296,043 -3.3
12. DEDUCT: Imports of goods and services	223,274 4.7	241,242 8.0	257,331 6.7	243,723 -5.3
13. Value of physical change in inventories:	2,571	1,403	2,404	-2,117
14. Non-farm	2,550	1,423	2,550	-2,040
15. Farm and grain in commercial channels	21	-23	-158	-95
16. Statistical discrepancy	-287	-12	1,269	475
17. Gross Domestic Product at market prices	376,716 4.8	405,352 7.6	424,096 4.6	430,501 1.5
18. Final domestic demand	337,327 3.1	356,692 5.7	371,652 4.2	379,244 2.0

Note: Per cent change from previous year is given on the second line.**Sources:** Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 10

millions of dollars

	1998	1999	2000	2001
1. Wages, salaries and supplementary labour income (<i>national basis</i>)	197,317 5.5	212,279 7.6	230,742 8.7	240,798 4.4
2. Net income of farm operators from farm production	235 -4.5	231 -1.7	268 16.0	483 80.2
3. Net income of non-farm unincorporated business including rent	24,050 6.2	25,808 7.3	27,200 5.4	28,196 3.7
4. Interest, dividends and miscellaneous investment income	43,459 3.6	44,612 2.7	47,209 5.8	46,757 -1.0
5. Current transfers from government, corporations and non-residents	39,591 5.2	39,619 0.1	41,319 4.3	43,693 5.7
6. Equals: Personal income	304,652 5.2	322,549 5.9	346,738 7.5	359,927 3.8
7. Deduct: Personal direct taxes	53,643 6.3	56,946 6.2	59,660 4.8	62,162 4.2
8. Other current transfers to government	19,547 4.5	20,606 5.4	23,030 11.8	24,886 8.1
9. Equals: Personal disposable income	231,462 5.0	244,997 5.8	264,048 7.8	272,879 3.3
10. Deduct: Personal expenditure on consumer goods and services	209,866 4.9	223,902 6.7	238,808 6.7	249,027 4.3
11. Current transfers to corporations	3,527 16.4	4,072 15.5	4,734 16.3	5,514 16.5
12. Current transfers to non-residents	545 11.2	574 5.3	590 2.8	689 16.8
13. Equals: Personal saving	17,524 4.4	16,449 -6.1	19,916 21.1	17,649 -11.4
14. Personal savings rate	7.6	6.7	7.5	6.5

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 11***millions of dollars*

	1998	1999	2000	2001
1. Exports of Goods and Services	263,663 8.7	291,466 10.5	314,755 8.0	307,436 -2.3
2. <i>Of Which</i> : International	193,513 12.3	215,712 11.5	236,020 9.4	225,259 -4.6
3. <i>Of Which</i> : Interprovincial	70,150 0.0	75,754 8.0	78,735 3.9	82,177 4.4
4. Imports of Goods and Services	229,462 7.6	248,671 8.4	273,431 10.0	264,659 -3.2
5. Trade Balance	34,201	42,795	41,324	42,777

Note: *Per cent change from previous year is given on the second line.*

Sources: *Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 12

1997 = 100

	1998	1999	2000	2001
1. Personal expenditure on consumer goods and services:	101.3 1.3	103.2 1.9	105.4 2.1	107.5 2.0
2. <i>Goods</i>	100.6 0.6	102.4 1.8	104.8 2.3	107.0 2.1
3. <i>Services</i>	102.0 2.0	103.7 1.7	105.8 2.0	107.7 1.8
4. Government expenditure on goods and services:	101.5 1.5	101.6 0.1	104.6 2.9	105.5 0.8
5. <i>Current expenditure</i>	101.6 1.6	101.9 0.3	105.0 3.0	105.9 0.9
6. <i>Capital expenditure</i>	100.4 0.4	99.5 -0.9	101.9 2.4	102.2 0.3
7. Business gross fixed capital formation:	102.0 2.0	101.3 -0.7	102.5 1.2	104.3 1.8
8. <i>Residential construction</i>	102.3 2.3	104.9 2.5	108.0 3.0	111.5 3.2
9. <i>Non-residential construction</i>	102.0 2.0	103.8 1.8	108.6 4.6	111.2 2.4
10. <i>Machinery and equipment</i>	101.9 1.9	98.5 -3.3	97.6 -0.9	98.2 0.6
11. Exports of goods and services	101.3 1.3	101.0 -0.3	102.8 1.8	103.8 1.0
12. DEDUCT: Imports of goods and services	102.8 2.8	103.1 0.3	106.3 3.1	108.6 2.2
13. Gross Domestic Product	100.3 0.3	100.9 0.6	102.2 1.3	103.1 0.9
14. Final Domestic Demand	101.5 1.5	102.5 1.0	104.7 2.1	106.5 1.7

Note: Per cent change from previous year is given on the second line.**Sources:** Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted at annual rates, millions of dollars*

	1999				2000			
	I	II	III	IV	I	II	III	IV
1. Primary	7,716 4.2	7,741 0.3	7,769 0.4	7,820 0.7	7,688 -1.7	7,772 1.1	7,593 -2.3	7,475 -1.6
2. Utilities	9,734 1.4	9,707 -0.3	9,978 2.8	10,012 0.3	10,055 0.4	10,289 2.3	10,245 -0.4	10,458 2.1
3. Construction	16,994 5.8	17,572 3.4	17,924 2.0	18,241 1.8	18,637 2.2	18,402 -1.3	18,437 0.2	18,464 0.1
4. Manufacturing	80,459 1.0	81,781 1.6	83,668 2.3	83,588 -0.1	85,005 1.7	86,096 1.3	86,764 0.8	85,661 -1.3
5. Goods Producing Industries	114,904 1.9	116,802 1.7	119,338 2.2	119,662 0.3	121,385 1.4	122,558 1.0	123,040 0.4	122,057 -0.8
6. Wholesale and Retail Trade	42,618 3.5	43,537 2.2	44,941 3.2	45,675 1.6	45,759 0.2	46,906 2.5	47,816 1.9	47,854 0.1
7. Transportation and Warehousing	14,574 -0.9	15,059 3.3	15,671 4.1	16,061 2.5	15,773 -1.8	15,995 1.4	16,350 2.2	16,020 -2.0
8. Information and Cultural	13,778 7.3	14,348 4.1	15,144 5.6	15,594 3.0	15,946 2.3	16,394 2.8	16,946 3.4	17,563 3.6
9. Finance, Insurance, Real Estate, Rental and Leasing	77,193 1.7	78,223 1.3	79,676 1.9	80,400 0.9	81,530 1.4	81,900 0.5	82,801 1.1	83,571 0.9
10. Professional, Scientific and Technical Services	17,250 4.1	17,838 3.4	18,236 2.2	18,917 3.7	19,202 1.5	19,768 2.9	20,440 3.4	20,929 2.4
11. Administrative Support, Waste Managemen and Remediation Services	8,343 1.8	8,491 1.8	8,624 1.6	8,805 2.1	8,916 1.3	9,042 1.4	9,204 1.8	9,386 2.0
12. Educational Services	17,257 0.0	17,441 1.1	17,603 0.9	17,711 0.6	17,259 -2.6	17,440 1.0	17,522 0.5	17,500 -0.1
13. Health Care and Social Services	20,235 1.6	20,561 1.6	20,695 0.7	20,978 1.4	20,921 -0.3	21,008 0.4	21,149 0.7	21,228 0.4
14. Arts, Entertainment and Recreation	3,197 1.3	3,340 4.5	3,417 2.3	3,540 3.6	3,544 0.1	3,496 -1.4	3,627 3.7	3,726 2.7
15. Accommodation and Food Services	7,974 4.3	8,110 1.7	8,116 0.1	8,117 0.0	8,026 -1.1	8,230 2.5	8,427 2.4	8,466 0.5
16. Other Services & Misc. Adjustments	8,119 1.3	8,184 0.8	8,176 -0.1	8,257 1.0	8,253 0.0	8,275 0.3	8,341 0.8	8,487 1.8
17. Public Administration	18,562 0.3	18,683 0.7	18,403 -1.5	18,688 1.5	18,816 0.7	19,105 1.5	19,229 0.6	19,486 1.3
18. Services Producing Industries	249,101 2.1	253,815 1.9	258,702 1.9	262,741 1.6	263,944 0.5	267,558 1.4	271,851 1.6	274,218 0.9
19. Total Production	364,005 2.1	370,616 1.8	378,040 2.0	382,402 1.2	385,329 0.8	390,116 1.2	394,892 1.2	396,275 0.4
	* 8.5	7.5	8.3	4.7	3.1	5.1	5.0	1.4

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted at annual rates, millions of dollars*

	2001				2002	
	I	II	III	IV	I	II
1. Primary	7,396 -1.1	7,316 -1.1	7,142 -2.4	7,123 -0.3	6,949 -2.4	7,037 1.3
2. Utilities	10,162 -2.8	10,375 2.1	10,027 -3.4	10,186 1.6	10,239 0.5	10,233 -0.1
3. Construction	18,988 2.8	19,216 1.2	19,674 2.4	20,080 2.1	20,658 2.9	20,232 -2.1
4. Manufacturing	82,696 -3.5	82,741 0.1	79,942 -3.4	79,011 -1.2	82,556 4.5	83,743 1.4
5. Goods Producing Industries	119,242 -2.3	119,649 0.3	116,785 -2.4	116,400 -0.3	120,403 3.4	121,246 0.7
6. Wholesale and Retail Trade	47,666 -0.4	48,105 0.9	47,823 -0.6	48,157 0.7	49,446 2.7	50,135 1.4
7. Transportation and Warehousing	15,948 -0.4	15,707 -1.5	15,586 -0.8	15,560 -0.2	15,742 1.2	15,916 1.1
8. Information and Cultural	17,766 1.2	18,229 2.6	18,577 1.9	19,145 3.1	19,610 2.4	20,048 2.2
9. Finance, Insurance, Real Estate, Rental and Leasing	84,317 0.9	85,126 1.0	85,771 0.8	86,741 1.1	87,644 1.0	88,435 0.9
10. Professional, Scientific and Technical Services	21,223 1.4	21,644 2.0	21,697 0.2	21,683 -0.1	21,894 1.0	22,171 1.3
11. Administrative Support, Waste Management and Remediation Services	9,447 0.6	9,510 0.7	9,480 -0.3	9,424 -0.6	9,558 1.4	9,555 0.0
12. Educational Services	17,503 0.0	17,463 -0.2	17,524 0.4	17,465 -0.3	17,444 -0.1	17,461 0.1
13. Health Care and Social Services	21,287 0.3	21,537 1.2	21,868 1.5	22,154 1.3	22,364 0.9	22,449 0.4
14. Arts, Entertainment and Recreation	3,721 -0.1	3,642 -2.1	3,597 -1.2	3,591 -0.2	3,555 -1.0	3,850 8.3
15. Accommodation and Food Services	8,680 2.5	8,659 -0.2	8,291 -4.2	8,340 0.6	8,325 -0.2	8,413 1.1
16. Other Services & Misc. Adjustments	8,583 1.1	8,661 0.9	8,609 -0.6	8,496 -1.3	8,494 0.0	8,518 0.3
17. Public Administration	19,665 0.9	19,944 1.4	20,048 0.5	20,151 0.5	19,929 -1.1	19,685 -1.2
18. Services Producing Industries	275,805 0.6	278,226 0.9	278,871 0.2	280,907 0.7	284,006 1.1	286,635 0.9
19. Total Production	395,047 -0.3	397,875 0.7	395,656 -0.6	397,307 0.4	404,409 1.8	407,880 0.9
*	-1.2	2.9	-2.2	1.7	7.3	3.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

millions of dollars

	1998	1999	2000	2001
1. Primary	7,196 4.9	7,762 7.9	7,632 -1.7	7,244 -5.1
2. Utilities	9,722 -3.0	9,858 1.4	10,262 4.1	10,187 -0.7
3. Construction	15,604 0.5	17,683 13.3	18,485 4.5	19,490 5.4
4. Manufacturing	76,860 7.3	82,374 7.2	85,882 4.3	81,098 -5.6
5. Goods Producing Industries	109,382 5.1	117,676 7.6	122,260 3.9	118,019 -3.5
6. Wholesale and Retail Trade	39,994 10.0	44,193 10.5	47,084 6.5	47,938 1.8
7. Transportation and Warehousing	14,319 1.7	15,341 7.1	16,035 4.5	15,700 -2.1
8. Information and Cultural	12,133 6.1	14,716 21.3	16,712 13.6	18,429 10.3
9. Finance, Insurance, Real Estate, Rental and Leasing	74,129 3.3	78,873 6.4	82,450 4.5	85,489 3.7
10. Professional, Scientific and Technical Services	15,677 12.7	18,060 15.2	20,085 11.2	21,561 7.4
11. Administrative Support, Waste Management and Remediation Services	7,861 7.7	8,566 9.0	9,137 6.7	9,465 3.6
12. Educational Services	17,179 1.5	17,503 1.9	17,430 -0.4	17,489 0.3
13. Health Care and Social Services	19,889 0.9	20,617 3.7	21,076 2.2	21,712 3.0
14. Arts, Entertainment and Recreation	3,140 -0.9	3,373 7.4	3,599 6.7	3,638 1.1
15. Accommodation and Food Services	7,575 8.2	8,079 6.7	8,287 2.6	8,492 2.5
16. Other Services & Misc. Adjustments	7,711 4.1	8,184 6.1	8,339 1.9	8,587 3.0
17. Public Administration	18,442 0.9	18,584 0.8	19,159 3.1	19,952 4.1
18. Services Producing Industries	238,050 4.7	256,089 7.6	269,393 5.2	278,452 3.4
19. Total Production	347,432 4.9	373,766 7.6	391,653 4.8	396,471 1.2

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ISSN 0828-3877

CA20N
TR17
- B75

January 2003

Ontario
Ministry
of Finance

Third Quarter
of 2002
(July, August, September)

Ontario Economic Accounts



January 2003
Third Quarter of 2002
(July, August, September)

Ontario Economic Accounts



Ontario Ministry of Finance

For further information on the Ontario Economic Accounts, please contact:

David West
(416) 325-0778
email - david.west@fin.gov.on.ca

Harvey Bradley
(416) 325-0773
email - harvey.bradley@fin.gov.on.ca

Jacques Marcil
(416) 325-0761
email - jacques.marcil@fin.gov.on.ca

Ministry of Finance
Macroeconomic Analysis & Policy Branch
Current Analysis Unit
95 Grosvenor St., 6th Fl. Frost Bldg. N.
Toronto, ON M7A 1Z1

This document is also available on the Internet at
<http://www.gov.on.ca/FIN/english/oecoeng.htm>

Ce document est disponible en français.

Table of Contents

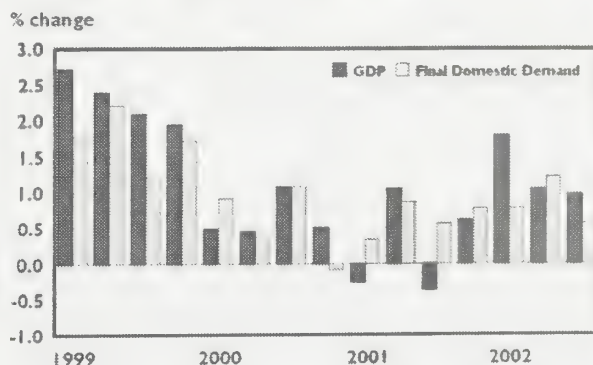
Third-Quarter Highlights: July-September 2002	1
Demand and Incomes	3
Ontario Production By Industry	6
Ontario Economic Accounts: Summary 1999:1-2002:3	12
List of Tables	15

THIRD-QUARTER HIGHLIGHTS: JULY-SEPTEMBER 2002

OVERVIEW

- ❑ Ontario's **real GDP** increased by 1.0% (3.9% annualized) in the third quarter of 2002. This followed a similar second quarter advance of 1.0% (4.2% annualized).
- ❑ As in the first half of 2002, growth in the third quarter remained balanced with both domestic demand and net exports supporting the overall advance.
- ❑ **Real consumer spending** rose by 0.4% in the third quarter, and over the first nine months is 1.0% ahead of last year.
- ❑ **Residential construction** rose 2.3% in the third quarter, consolidating the stronger first half of 2002 gains.
- ❑ A 0.9% increase in **machinery and equipment investment** more than offset the 1.3% drop in **non-residential construction**, allowing total business investment to grow by 0.4%.
- ❑ Businesses continued to replenish **inventories** in the third quarter adding \$4.8 billion (1997 \$ basis) in stocks, the second consecutive quarter of stock accumulation.
- ❑ **Real exports** advanced a strong 2.4% in the third quarter, following gains of 2.5% and 0.9% in the first and second quarter respectively. Ontario exporters received a boost from a healthy third quarter jump in U.S. investment and consumer demand. U.S. GDP growth rose to a 4.0% annualized pace in the quarter.
- ❑ **Real imports** grew 1.9% in the third quarter, reflecting healthy domestic demand in Ontario.
- ❑ In current dollars, **nominal GDP** grew 1.5% in the third quarter to an annualized level of \$471.2 billion, following a 2.5% increase in the second quarter. Ontario accounted for 40.9% of Canadian nominal GDP in the third quarter.

Ontario Real GDP Growth Remains Strong in Third Quarter



- Prices, as measured by the **GDP price deflator**, rose by a modest 0.5% in the third quarter, following a 1.5% increase in the second quarter.
- **By industry**, gains were led by manufacturing (+1.1%), construction (+2.1%) and public administration (+6.5%).

ONTARIO ECONOMIC ACCOUNTS: HIGHLIGHTS

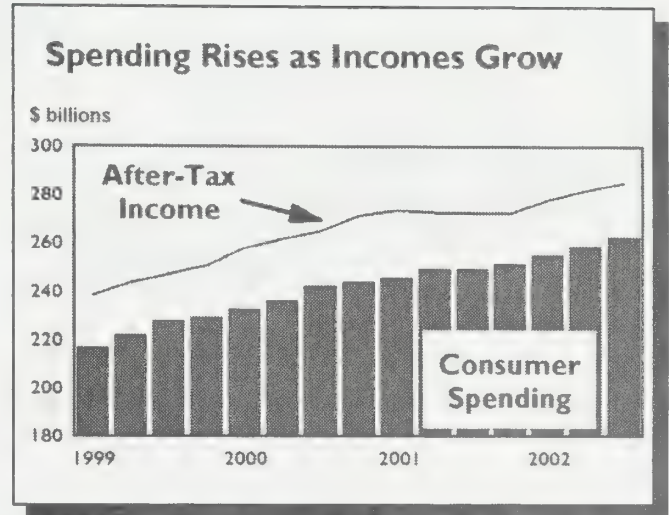
(% change from previous period)

	2000	2001	2001:4	2002:1	2002:2	2002:3
Real GDP (\$ Chained 1997)	4.6	1.5	0.6	1.8	1.0	1.0
(annualized rate on second line)			2.4	7.4	4.2	3.9
Personal spending	4.4	2.3	1.1	0.9	0.9	0.4
Government spending	3.1	4.1	0.9	-0.3	0.9	0.8
Residential construction	5.3	2.4	3.9	4.8	1.7	2.3
Non-residential construction	-4.1	-1.2	-1.0	-2.4	-0.6	-1.3
Machinery & equipment	7.3	-3.1	-2.4	1.1	4.3	0.9
Exports	6.1	-3.3	-0.8	2.5	0.9	2.4
Imports	6.7	-5.3	-2.6	2.1	4.8	1.9
Business inventories (\$Chained 1997 billions)	2.6	-2.0	-6.4	-4.1	5.1	4.8
Nominal GDP (\$ Current)	6.0	2.4	-0.4	2.3	2.5	1.5
Corporation profits	0.4	-15.6	-10.8	11.3	7.3	4.0
Personal income	7.5	3.8	0.0	1.3	1.0	1.0
Disposable income	7.8	3.3	0.0	2.0	1.5	1.1
Prices GDP deflator	1.3	0.9	-1.0	0.5	1.5	0.5

DEMAND AND INCOMES

CONSUMER SPENDING GROWTH CONTINUES

Real consumer spending rose by 0.4% in the third quarter, following gains of 0.9% in both the first and second quarters. Growth was concentrated in services where spending rose 0.6%, while spending on goods inched up 0.1%. Gains in restaurants and accommodation spending along with increased health expenditures boosted outlays for services while weaker auto sales and falling tobacco sales dampened goods spending. Warmer-than-normal temperatures in September resulted in increased spending on electricity for air conditioning in the third quarter.

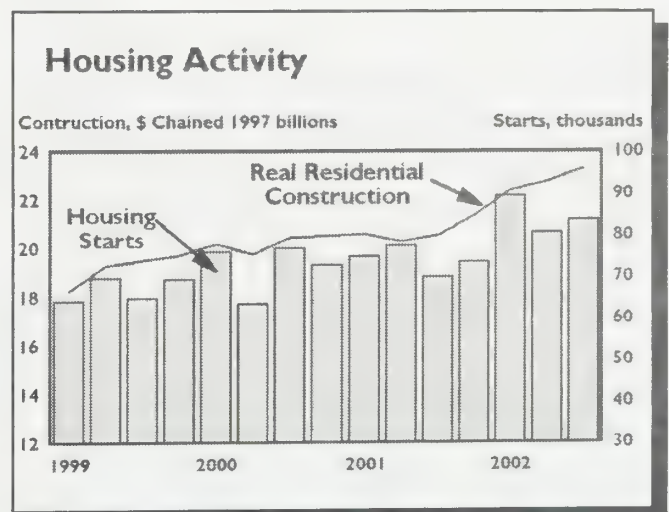


Personal disposable income rose by 1.1% in the third quarter, following advances of 2.0% and 1.5% in the first and second quarters of 2002. Labour income, the largest component of household income, increased 1.3%, contributing to the gain as did a 0.1% drop in personal direct taxes, the fourth consecutive drop in the last year. Ontario's **savings rate** was little changed, slipping slightly to 5.9% in the third quarter, from 6.2% over the second quarter.

HOUSING MARKET CONTINUES STRONG GROWTH

Residential construction continued its strong growth, rising 2.3% in the third quarter, the fifth consecutive quarterly advance. Over that period price-adjusted housing outlays have risen almost 15%. Increases in new housing construction and home renovations more than offset a decline in resale activity in the third quarter.

Ontario's housing starts were up 3.7% in the third quarter with the number of units hitting 83,600, the second-highest level of activity in over 12 years. The number of MLS resales dropped by 5.4% from the previous quarter.



BUSINESS INVESTMENT POSTS MODEST GAINS

Real business plant and equipment investment moderated, advancing 0.4% in the third quarter of 2002, following a stronger 3.3% increase in the second quarter.

Real business spending on machinery and equipment was up 0.9% in the quarter, following a more robust 4.3% gain in the second quarter. Healthy investment gains were reported in cars, trucks and other transportation equipment. This, along with a modest improvement in capital spending on computers and other office equipment more than offset reduced investment on industrial machinery and telecommunications equipment. The third quarter gain pushed machinery and equipment investment to a level just 0.3% below its second quarter of 2000 peak.

Real non-residential construction expenditures fell 1.3% in the quarter, the fourth consecutive quarterly decline.

Pre-tax corporate profits continued their recovery from the fourth quarter 2001 trough, rising 4.0% in the third quarter, following first and second quarter gains of 11.3% and 7.3%. The third quarter gains were concentrated in the non-financial sector, with the manufacturing, wholesaling and retailing sectors all reporting higher profits, especially those involved in automobile production and distribution.

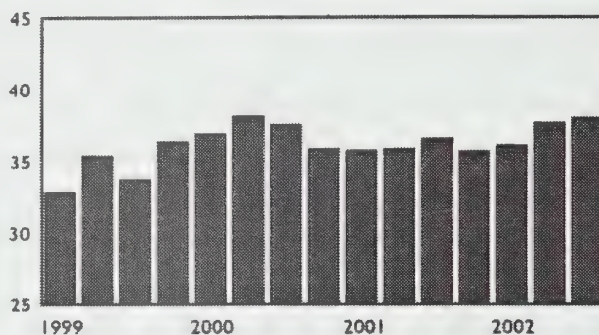
INVENTORY LEVELS RISE

Spurred by rising foreign and domestic demand, businesses continued rebuilding **real inventories** in the third quarter, adding over \$4.8 billion to total business stocks, on top of the \$5.1 billion accumulation in the second quarter.

Manufacturers, wholesalers and retailers all increased their inventories. The largest contributor was the rebuilding of motor vehicle stocks.

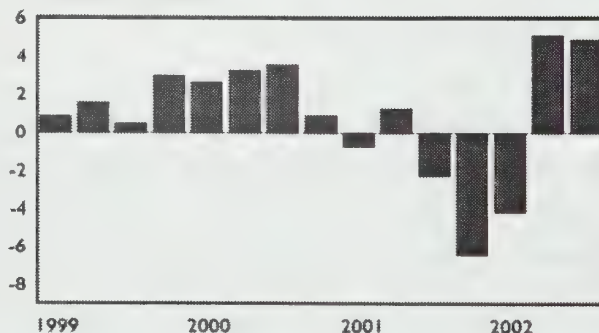
Machinery and Equipment Investment Strengthens in Third Quarter

\$ Chained 1997 billions



Inventory Accumulation

\$ Chained 1997 billions



EXPORTS GROW

Ontario's **real exports** (which include both international and interprovincial exports) advanced a strong 2.4% in the third quarter, following gains of 2.5% and 0.9% in the first and second quarters. The rebound in U.S. annualized growth from 1.3% in the second quarter to 4.0% in the third quarter contributed to Ontario's faster export growth. Strong U.S. consumer spending for motor vehicles and parts boosted auto-related exports while a surge in equipment and software investment in the U.S. underpinned gains in machinery and equipment exports.

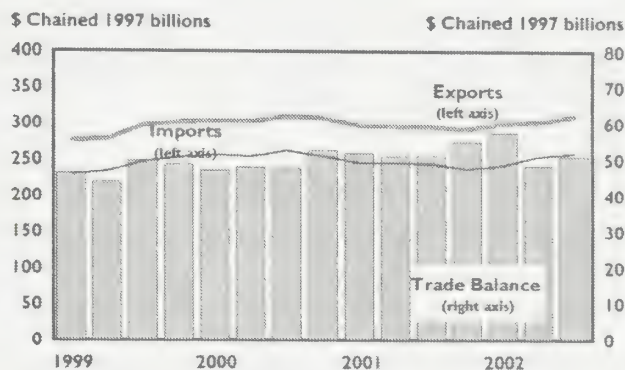
Real imports grew 1.9% in the third quarter following a 4.8% increase in the second quarter. The slower growth, reflected more modest domestic demand, with consumer spending and business investment growth moderating from earlier in the year. One of the main drivers of Ontario import growth was auto part imports which were needed by Ontario's surging motor vehicle manufacturing sector.

INFLATION EASES IN THIRD QUARTER

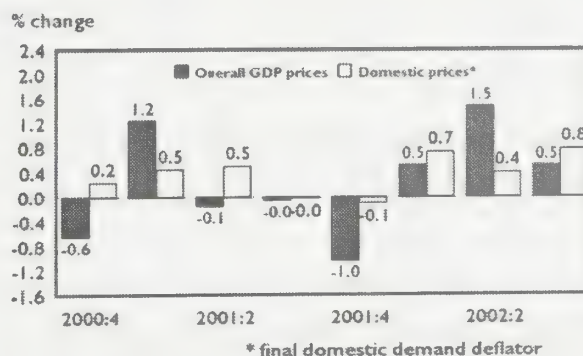
Average prices, as measured by the **GDP price deflator**, rose a modest 0.5% in the third quarter, decelerating from the 1.5% second quarter pace.

Higher prices were recorded for consumer (+1.1%) and government (+0.4%) spending, housing (+0.7%), and non-residential construction (+0.4%). Export (+0.6%) and import (+0.9%) prices also advanced in the third quarter, reflecting primarily higher energy prices. A drop in machinery and equipment prices (-0.4%) moderated the overall price increase.

External Trade Balance



Inflation Eases in Third Quarter



ONTARIO PRODUCTION BY INDUSTRY

INDUSTRIAL PRODUCTION IN THE THIRD QUARTER

Ontario's industrial output continued to grow in the third quarter of 2002, with output rising 1.0% (3.9% annualized), following a 0.8% gain in the second quarter. The latest gain marks the first four-quarter string of growth since the end of 2000.

Solid growth in manufacturing (+1.1%) and construction (+2.1%) marked this quarter. A substantial rebound in public administration output (+6.5%) following the Ontario Public Service strike also contributed to the third quarter gain.

These gains were partially offset by declines in the primary sector (-2.4%) and in utilities output (-2.2%).

ONTARIO OUTPUT BY SECTOR

(% change from previous period, \$ 1997)

	2000	2001	2001:4	2002:1	2002:2	2002:3
Goods Sector	3.9	-3.5	-0.3	3.3	0.6	0.8
Primary Industries	-1.7	-5.1	-0.3	-3.9	0.7	-2.4
Manufacturing	4.3	-5.6	-1.2	4.4	1.4	1.1
Construction	4.5	5.4	2.1	2.7	-2.4	2.1
Utilities	4.1	-0.7	1.6	0.6	0.3	-2.2
Service Sector	5.2	3.4	0.7	1.1	0.9	1.0
Transportation and Warehousing	4.5	-2.1	-0.2	0.6	1.2	0.1
Wholesale and Retail Trade	6.5	1.8	0.7	2.7	1.3	0.2
Finance, Insurance and Real Estate	4.5	3.7	1.1	1.1	1.0	0.7
Information and Cultural Industries	13.6	10.3	3.1	2.5	2.1	1.2
Public Administration	3.1	4.1	0.5	-1.1	-1.3	6.5
Ontario Output at Basic Prices (\$1997)	4.8	1.2	0.4	1.8	0.8	1.0
(annualized rate on second line)			1.7	7.3	3.2	3.9

Note: Real Output by sector continues to be based on a Laspeyres price index. Statistics Canada plans to release real output by sector on a chain Fisher basis in the fall of 2003.

MANUFACTURING RISES AS AUTO OUTPUT JUMPS

Manufacturing output grew a solid 1.1% in the third quarter, continuing its strong average growth of 2.9% over the first half of the year.

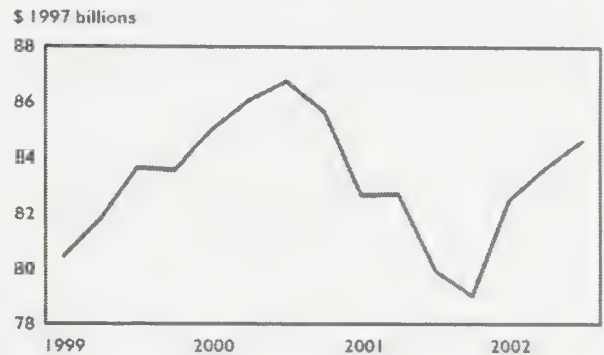
Autos, which represent about 20 per cent of Ontario's manufacturing output, contributed most of the growth. Motor vehicle manufacturing jumped 10.2%, driven by a surge in exports to the United States. Output of auto parts producers rose 1.4%.

Other gains in manufacturing took place in chemicals (+2.5%) and wood products (+5.9%).

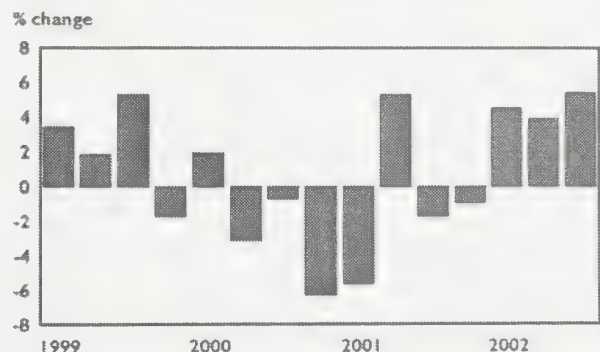
Output losses were recorded in electrical and electronic products (-4.4%), primary and fabricated metals (-1.1%) and printing (-2.9%).

Over the first three quarters of 2002, Ontario's manufacturing sector generated more than 80,000 net new jobs, representing nearly 70% of total job creation in Ontario over this period.

Total Manufacturing Output



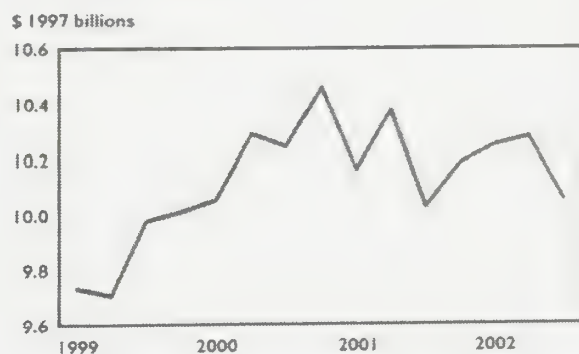
Motor Vehicle and Parts Output



UTILITIES OUTPUT DOWN

The output of the utility sector fell 2.2% in the third quarter, following a 0.3% gain in the second quarter. Output of both electric power generation (-1.5%) and gas distribution (-5.7%) industries declined in the third quarter.

Utilities Output

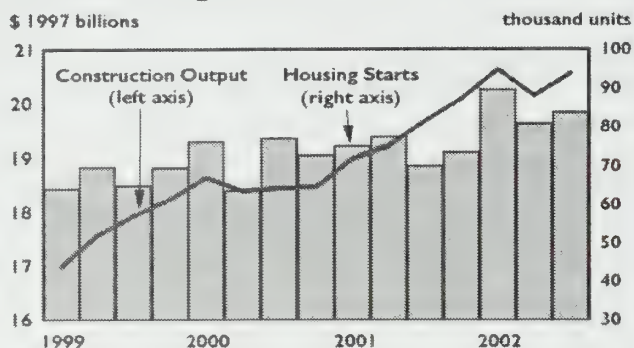


HOUSING SECTOR IN HIGH GEAR

Construction activity rose 2.1% in the third quarter, almost erasing the second quarter's -2.4% loss. Residential construction output rose 6.7%, maintaining a pace not seen since the late eighties. Residential construction has grown more than 40% over the last four years. The residential construction jump matched the increase in housing starts, which are now near the first quarter's recent 12-year peak.

Non-residential construction (including engineering) fell for a third consecutive quarter, down 0.7%.

Construction Output and Housing Starts



WHOLESALE AND RETAIL TRADE STEADY

Wholesale and retail trade output inched up 0.2%, following two quarters of strong growth. Wholesale trade was virtually flat (+0.1%) while retail trade rose 0.4%. Higher demand for household-related items was offset by lower demand for other goods.

Wholesale and Retail Trade Output

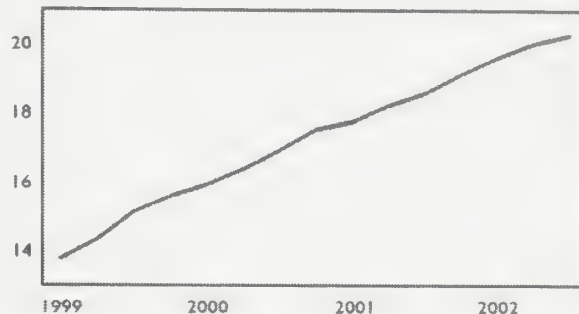


STRONG INFORMATION AND COMMUNICATIONS

Production by information and cultural industries rose 1.2%, following a 2.1% gain in the second quarter. This sector, propelled by increased use of mobile communications and the internet, has been experiencing uninterrupted growth since the middle of 1998.

Information and Cultural Output

\$ 1997 billions



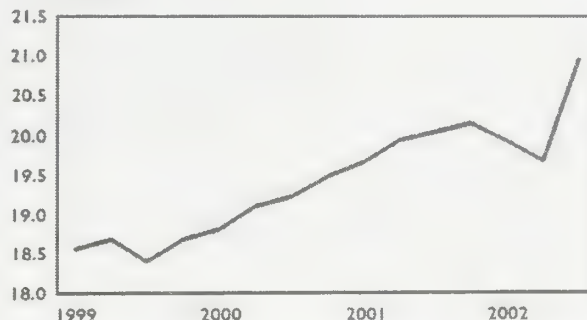
PUBLIC SECTOR REBOUNDS

Public administration output rose 6.5% in the third quarter, following two quarterly losses. Ignoring the temporary impact of the Ontario government employees 54-day strike, public sector output has grown 1.3% per quarter on average since the fourth quarter of 2001.

The end of the strike helped provincial government output jump 24.9%, contributing more than one-quarter of total output growth for Ontario in the third quarter.

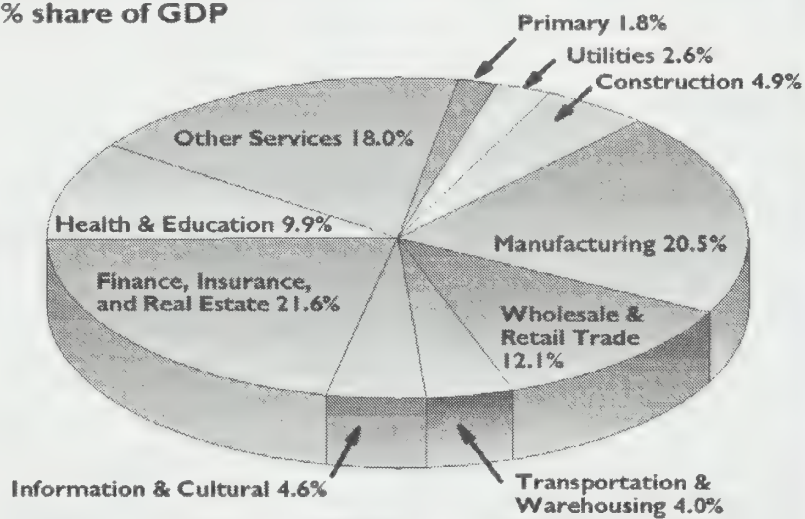
Public Administration Output

\$ 1997 billions



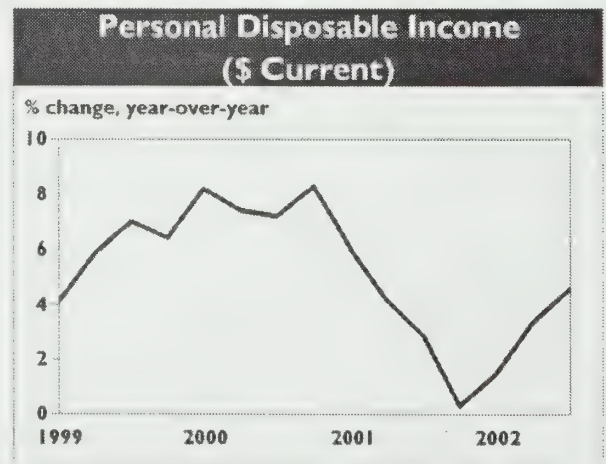
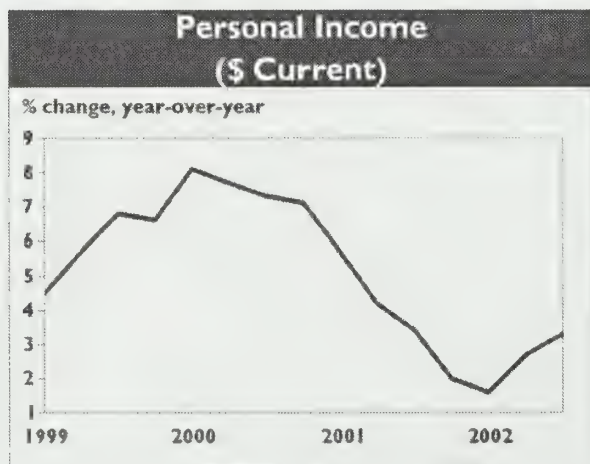
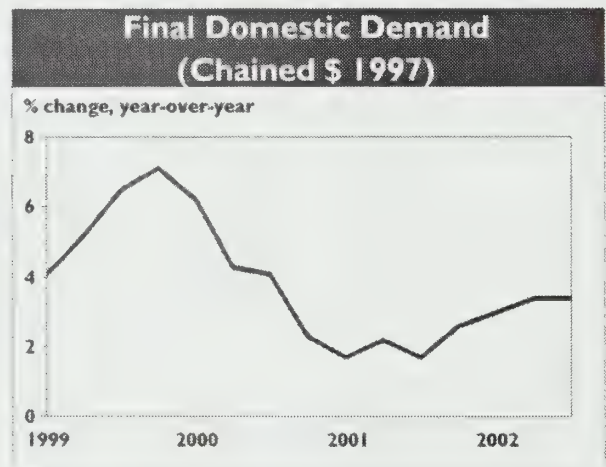
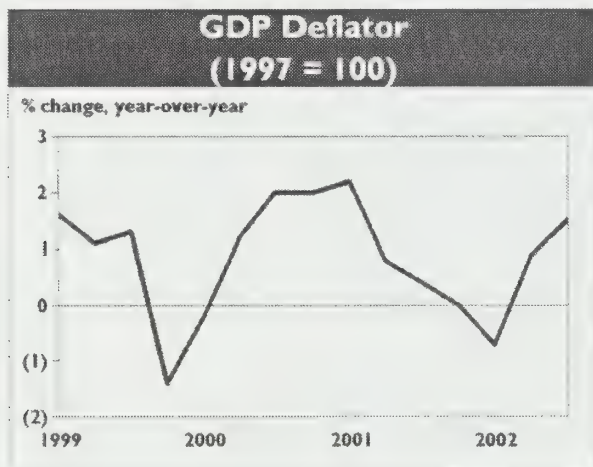
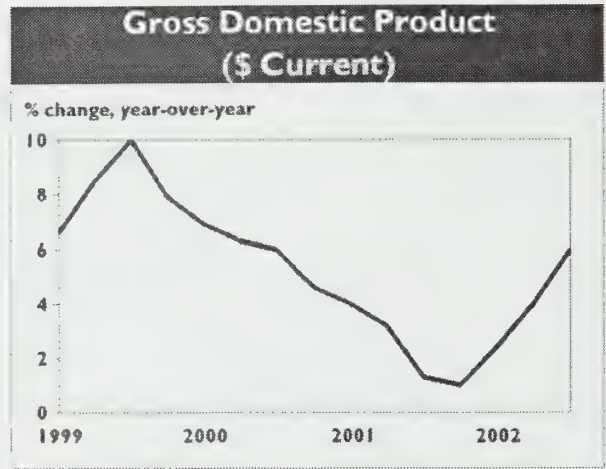
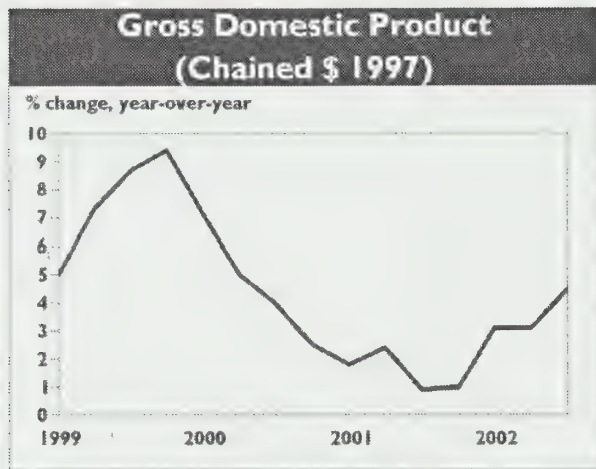
Structure of the Ontario Economy, 2001

% share of GDP



ONTARIO ECONOMIC ACCOUNTS: SUMMARY

(1999:1 - 2002:3)



ONTARIO ECONOMIC ACCOUNTS: SUMMARY

(1999:1 - 2002:3)

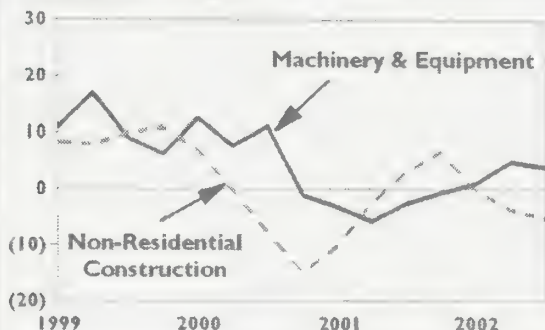
Consumer Spending (Chained \$ 1997)

% change, year-over-year



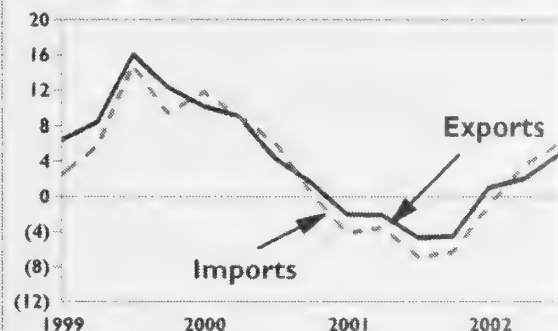
Business Plant & Equipment (Chained \$ 1997)

% change, year-over-year



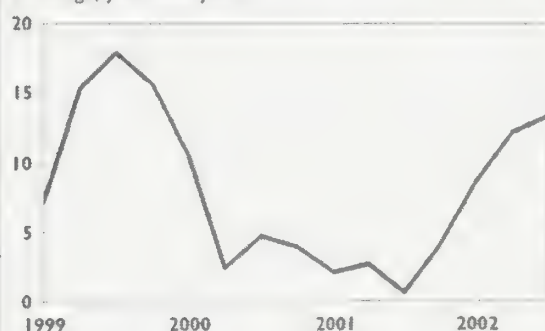
Trade (Chained \$ 1997)

% change, year-over-year



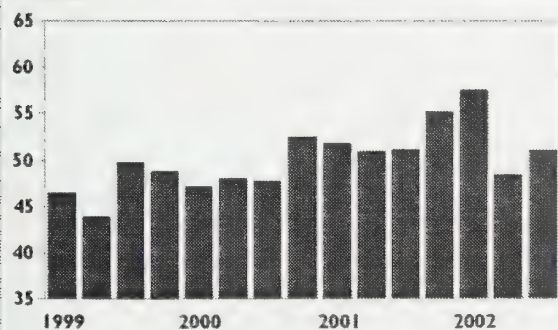
Residential Construction (Chained \$ 1997)

% change, year-over-year



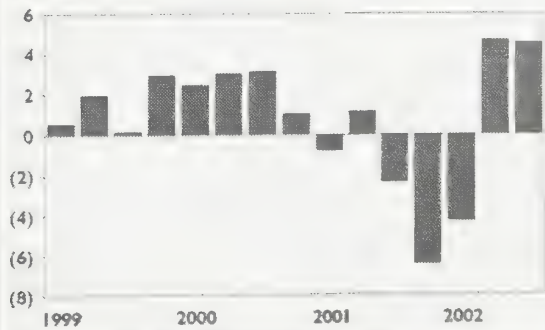
Net Exports (Chained \$ 1997)

\$ billions



Change in Inventories (Chained \$ 1997)

\$ billions



LIST OF TABLES

INCOME AND EXPENDITURE DATA

Quarterly Data, 1999:1–2002:3

Table 1: Ontario Gross Domestic Product (Income-Based)	16
Table 2: Ontario Gross Domestic Product (Expenditure-Based)	18
Table 3: Ontario Gross Domestic Product at Chained 1997 Prices	20
Table 4: Sources and Disposition of Ontario Personal Income	22
Table 5: Ontario Trade	24
Table 6: Ontario Deflators	26

Annual Data, 1998–2001

Table 7: Ontario Gross Domestic Product (Income-Based)	28
Table 8: Ontario Gross Domestic Product (Expenditure-Based)	29
Table 9: Ontario Gross Domestic Product at Chained 1997 Prices	30
Table 10: Sources and Disposition of Ontario Personal Income	31
Table 11: Ontario Trade	32
Table 12: Ontario Deflators	33

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

Table 13: Quarterly Data, 1999:1 - 2002:3	34
Table 14: Annual Data, 1998-2001	36

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED**TABLE 1***Seasonally adjusted at annual rates, millions of dollars*

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Wages, salaries and supplementary labour income (domestic basis)	208,335 2.2	213,087 2.3	216,383 1.5	220,336 1.8	226,802 2.9	233,165 2.8	236,520 1.4	239,062 1.1
2. Corporation profits before taxes	47,481 7.7	48,109 1.3	50,835 5.7	50,567 -0.5	50,029 -1.1	49,700 -0.7	49,435 -0.5	48,600 -1.7
3. Interest and miscellaneous investment income	17,771 -5.0	17,180 -3.3	17,412 1.4	17,364 -0.3	17,989 3.6	17,778 -1.2	18,021 1.4	17,332 -3.8
4. Accrued net income of farm operators from farm production	110 150.2	230 108.3	263 14.4	321 22.3	332 3.2	299 -10.0	221 -26.1	221 0.0
5. Net income of non-farm unincorporated business including rent	24,726 2.7	25,441 2.9	26,250 3.2	26,815 2.2	26,742 -0.3	27,042 1.1	27,363 1.2	27,654 1.1
6. Inventory valuation adjustment	-407	-32	-1,998	-1,847	-1,821	-1,065	137	-2,671
7. Net Domestic Income at factor cost	298,017 3.2	304,014 2.0	309,145 1.7	313,556 1.4	320,072 2.1	326,917 2.1	331,696 1.5	330,198 -0.5
8. Indirect taxes less subsidies	52,393 1.2	54,209 3.5	55,899 3.1	56,931 1.8	56,242 -1.2	56,503 0.5	57,251 1.3	57,739 0.9
9. Capital consumption allowances and miscellaneous valuation adjustments	47,366 -0.1	48,270 1.9	48,525 0.5	48,070 -0.9	48,718 1.3	48,854 0.3	49,587 1.5	50,005 0.8
10. Gross Domestic Product at market prices	397,776 2.5 10.4	406,493 2.2 9.1	413,569 1.7 7.1	418,558 1.2 4.9	425,032 1.5 6.3	432,274 1.7 7.0	438,534 1.4 5.9	437,943 -0.1 -0.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED**TABLE 1***Seasonally adjusted at annual rates, millions of dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Wages, salaries and supplementary labour income (domestic basis)	242,326 1.4	244,075 0.7	244,585 0.2	245,246 0.3	249,413 1.7	253,115 1.5	256,382 1.3	- -
2. Corporation profits before taxes	46,299 -4.7	46,012 -0.6	39,465 -14.2	35,191 -10.8	39,168 11.3	42,027 7.3	43,708 4.0	- -
3. Interest and miscellaneous investment income	17,995 3.8	17,453 -3.0	16,814 -3.7	16,390 -2.5	16,751 2.2	17,186 2.6	17,324 0.8	- -
4. Accrued net income of farm operators from farm production	422 91.0	464 9.9	594 28.1	452 -23.9	393 -13.2	356 -9.3	348 -2.2	- -
5. Net income of non-farm unincorporated business including rent	27,540 -0.4	27,827 1.0	28,407 2.1	29,010 2.1	29,909 3.1	30,687 2.6	31,516 2.7	- -
6. Inventory valuation adjustment	-807	172	546	449	-1,791	-146	-1,348	-
7. Net Domestic Income at factor cost	333,774 1.1	336,003 0.7	330,413 -1.7	326,739 -1.1	333,842 2.2	343,225 2.8	347,930 1.4	- -
8. Indirect taxes less subsidies	56,956 -1.4	58,201 2.2	60,366 3.7	60,956 1.0	62,724 2.9	63,916 1.9	65,031 1.7	- -
9. Capital consumption allowances and miscellaneous valuation adjustments	51,513 3.0	52,041 1.0	53,628 3.1	54,819 2.2	56,244 2.6	57,144 1.6	58,198 1.8	- -
10. Gross Domestic Product at market prices	442,243 1.0	446,242 0.9	444,407 -0.4	442,514 -0.4	452,810 2.3	464,285 2.5	471,160 1.5	- -
	* 4.0	3.7	-1.6	-1.7	9.6	10.5	6.1	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 2***Seasonally adjusted at annual rates, millions of dollars*

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Personal expenditure on consumer goods and services:	216,730 2.0	221,834 2.4	227,786 2.7	229,257 0.6	232,760 1.5	236,024 1.4	242,331 2.7	244,117 0.7
2. Goods	96,423 3.0	99,457 3.1	102,707 3.3	102,993 0.3	104,851 1.8	106,111 1.2	109,261 3.0	109,590 0.3
3. Services	120,307 1.3	122,377 1.7	125,079 2.2	126,264 0.9	127,909 1.3	129,914 1.6	133,070 2.4	134,527 1.1
4. Government expenditure on goods and services:	74,417 2.2	75,334 1.2	76,336 1.3	77,815 1.9	78,474 0.8	80,420 2.5	81,868 1.8	81,898 0.0
5. Current expenditure	66,274 1.8	66,832 0.8	67,641 1.2	68,770 1.7	69,282 0.7	71,487 3.2	72,679 1.7	72,637 -0.1
6. Capital expenditure	8,142 6.0	8,502 4.4	8,696 2.3	9,044 4.0	9,193 1.6	8,934 -2.8	9,189 2.9	9,261 0.8
7. Business gross fixed capital formation:	63,079 1.2	66,547 5.5	65,336 -1.8	68,066 4.2	69,685 2.4	70,165 0.7	69,973 -0.3	68,752 -1.7
8. Residential construction	18,732 7.6	20,276 8.2	20,646 1.8	20,890 1.2	21,687 3.8	21,056 -2.9	22,116 5.0	22,466 1.6
9. Non-residential construction	11,075 3.5	11,359 2.6	11,656 2.6	12,063 3.5	12,173 0.9	11,832 -2.8	11,270 -4.7	10,981 -2.6
10. Machinery and equipment	33,272 -2.8	34,912 4.9	33,034 -5.4	35,114 6.3	35,825 2.0	37,278 4.1	36,588 -1.9	35,305 -3.5
11. Exports of goods and services	280,398 1.9	278,853 -0.6	299,485 7.4	307,130 2.6	310,988 1.3	311,451 0.1	317,562 2.0	319,019 0.5
12. DEDUCT: Imports of goods and services	236,856 -0.3	237,719 0.4	255,627 7.5	264,481 3.5	268,383 1.5	269,866 0.6	277,476 2.8	278,000 0.2
13. Value of physical change in inventories:	-1,832	1,437	1,144	1,978	1,589	2,627	2,343	305
14. Non-farm	-1,721	1,379	1,361	2,153	1,914	2,769	2,605	337
15. Farm and grain in commercial channels	-111	59	-217	-174	-325	-142	-262	-32
16. Statistical discrepancy	1,841	208	-892	-1,207	-82	1,453	1,932	1,852
17. Gross Domestic Product at market prices	397,776 2.5 10.4	406,493 2.2 9.1	413,569 1.7 7.1	418,558 1.2 4.9	425,032 1.5 6.3	432,274 1.7 7.0	438,534 1.4 5.9	437,943 -0.1 -0.5
18. Final domestic demand	354,226 1.9	363,715 2.7	369,459 1.6	375,138 1.5	380,919 1.5	386,610 1.5	394,173 2.0	394,767 0.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 2***Seasonally adjusted at annual rates, millions of dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	245,873 0.7	249,301 1.4	249,466 0.1	251,469 0.8	254,838 1.3	258,738 1.5	262,526 1.5	-
2. Goods	110,213 0.6	112,338 1.9	111,318 -0.9	113,108 1.6	115,370 2.0	115,998 0.5	118,017 1.7	-
3. Services	135,661 0.8	136,963 1.0	138,148 0.9	138,362 0.2	139,469 0.8	142,739 2.3	144,509 1.2	-
4. Government expenditure on goods and services:	82,739 1.0	83,973 1.5	85,447 1.8	86,420 1.1	86,446 0.0	87,630 1.4	88,665 1.2	-
5. Current expenditure	72,956 0.4	73,877 1.3	75,120 1.7	75,431 0.4	75,205 -0.3	76,197 1.3	77,226 1.4	-
6. Capital expenditure	9,783 5.6	10,096 3.2	10,327 2.3	10,989 6.4	11,242 2.3	11,433 1.7	11,439 0.1	-
7. Business gross fixed capital formation:	69,283 0.8	70,070 1.1	70,672 0.9	70,455 -0.3	73,228 3.9	74,869 2.2	75,750 1.2	-
8. Residential construction	22,546 0.4	22,516 -0.1	22,969 2.0	24,249 5.6	25,928 6.9	26,428 1.9	27,228 3.0	-
9. Non-residential construction	11,435 4.1	11,817 3.3	11,862 0.4	11,722 -1.2	11,523 -1.7	11,504 -0.2	11,401 -0.9	-
10. Machinery and equipment	35,301 -0.0	35,738 1.2	35,840 0.3	34,485 -3.8	35,778 3.8	36,937 3.2	37,122 0.5	-
11. Exports of goods and services	312,638 -2.0	310,542 -0.7	306,218 -1.4	300,347 -1.9	310,741 3.5	314,321 1.2	323,938 3.1	-
12. DEDUCT: Imports of goods and services	269,375 -3.1	268,814 -0.2	264,242 -1.7	256,205 -3.0	265,042 3.4	274,212 3.5	281,863 2.8	-
13. Value of physical change in inventories:	-1,670	-447	-2,648	-8,071	-6,369	3,658	3,130	-
14. Non-farm	-1,604	-241	-2,468	-7,872	-6,135	3,827	3,504	-
15. Farm and grain in commercial channels	-67	-206	-179	-200	-234	-169	-374	-
16. Statistical discrepancy	2,755	1,617	-507	-1,901	-1,034	-719	-986	-
17. Gross Domestic Product at market prices	442,243 1.0 4.0	446,242 0.9 3.7	444,407 -0.4 -1.6	442,514 -0.4 -1.7	452,810 2.3 9.6	464,285 2.5 10.5	471,160 1.5 6.1	-
18. Final domestic demand	397,895 0.8	403,344 1.4	405,585 0.6	408,344 0.7	414,513 1.5	421,237 1.6	426,941 1.4	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 3***Seasonally adjusted at annual rates, millions of chained (1997) dollars*

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Personal expenditure on consumer goods and services:	212,151 2.0	215,183 1.4	219,912 2.2	220,903 0.5	222,845 0.9	225,351 1.1	228,979 1.6	229,337 0.2
2. Goods	95,305 2.9	96,944 1.7	99,739 2.9	100,057 0.3	100,893 0.8	101,984 1.1	104,070 2.0	103,269 -0.8
3. Services	116,875 1.2	118,282 1.2	120,230 1.6	120,921 0.6	122,035 0.9	123,457 1.2	125,000 1.3	126,180 0.9
4. Government expenditure on goods and services:	73,369 2.5	74,119 1.0	74,844 1.0	76,712 2.5	77,288 0.8	75,978 -1.7	76,916 1.2	78,259 1.7
5. Current expenditure	65,101 2.2	65,515 0.6	66,135 0.9	67,738 2.4	68,273 0.8	67,149 -1.6	67,880 1.1	69,254 2.0
6. Capital expenditure	8,234 5.6	8,595 4.4	8,720 1.5	9,006 3.3	9,037 0.3	8,833 -2.3	9,032 2.3	8,984 -0.5
7. Business gross fixed capital formation:	61,800 0.2	65,627 6.2	64,500 -1.7	67,745 5.0	68,599 1.3	68,764 0.2	68,211 -0.8	66,182 -3.0
8. Residential construction	18,249 6.9	19,290 5.7	19,507 1.1	19,732 1.2	20,168 2.2	19,763 -2.0	20,432 3.4	20,512 0.4
9. Non-residential construction	10,719 2.4	10,911 1.8	11,202 2.7	11,609 3.6	11,481 -1.1	10,899 -5.1	10,336 -5.2	9,895 -4.3
10. Machinery and equipment	32,874 -3.8	35,417 7.7	33,785 -4.6	36,337 7.6	36,943 1.7	38,147 3.3	37,537 -1.6	35,921 -4.3
11. Exports of goods and services	276,111 2.6	278,448 0.8	297,375 6.8	302,324 1.7	303,950 0.5	303,367 -0.2	310,573 2.4	307,173 -1.1
12. DEDUCT: Imports of goods and services	229,556 -1.0	234,496 2.2	247,474 5.5	253,442 2.4	256,730 1.3	255,282 -0.6	262,717 2.9	254,594 -3.1
13. Value of physical change in inventories:	544	1,947	174	2,946	2,448	3,026	3,138	1,003
14. Non-farm	811	1,503	442	2,936	2,637	3,190	3,506	867
15. Farm and grain in commercial channels	-272	441	-270	10	-194	-174	-381	118
16. Statistical discrepancy	-1,810	889	522	351	1,369	674	1,539	1,494
17. Gross Domestic Product at market prices	392,173 2.7 11.3	401,515 2.4 9.9	409,890 2.1 8.6	417,830 1.9 8.0	419,848 0.5 1.9	421,778 0.5 1.9	426,310 1.1 4.4	428,448 0.5 2.0
* 18. Final domestic demand	347,258 1.8	354,917 2.2	359,217 1.2	365,376 1.7	368,737 0.9	370,067 0.4	374,066 1.1	373,738 -0.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 3

Seasonally adjusted at annual rates. millions of chained (1997) dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	229,864 0.2	231,407 0.7	231,639 0.1	234,083 1.1	236,106 0.9	238,157 0.9	239,039 0.4	-
2. Goods	103,270 0.0	104,155 0.9	103,831 -0.3	106,597 2.7	108,339 1.6	107,744 -0.5	107,850 0.1	-
3. Services	126,731 0.4	127,396 0.5	127,958 0.4	127,623 -0.3	127,876 0.2	130,542 2.1	131,309 0.6	-
4. Government expenditure on goods and services:	78,633 0.5	80,032 1.8	80,829 1.0	81,566 0.9	81,351 -0.3	82,081 0.9	82,704 0.8	-
5. Current expenditure	69,058 -0.3	70,167 1.6	70,719 0.8	70,816 0.1	70,505 -0.4	71,052 0.8	71,724 0.9	-
6. Capital expenditure	9,543 6.2	9,862 3.3	10,134 2.8	10,761 6.2	10,856 0.9	11,041 1.7	10,991 -0.4	-
7. Business gross fixed capital formation:	66,546 0.5	66,825 0.4	67,892 1.6	67,697 -0.3	68,869 1.7	70,764 2.8	71,490 1.0	-
8. Residential construction	20,590 0.4	20,291 -1.5	20,554 1.3	21,349 3.9	22,378 4.8	22,764 1.7	23,282 2.3	-
9. Non-residential construction	10,298 4.1	10,623 3.2	10,652 0.3	10,544 -1.0	10,292 -2.4	10,235 -0.6	10,102 -1.3	-
10. Machinery and equipment	35,746 -0.5	35,917 0.5	36,602 1.9	35,711 -2.4	36,111 1.1	37,677 4.3	38,017 0.9	-
11. Exports of goods and services	297,866 -3.0	297,045 -0.3	295,858 -0.4	293,403 -0.8	300,700 2.5	303,406 0.9	310,669 2.4	-
12. DEDUCT: Imports of goods and services	245,934 -3.4	246,049 0.0	244,667 -0.6	238,242 -2.6	243,200 2.1	254,877 4.8	259,600 1.9	-
13. Value of physical change in inventories:	-753	1,102	-2,362	-6,455	-4,315	4,689	4,514	-
14. Non-farm	-726	1,218	-2,245	-6,408	-4,129	5,075	4,822	-
15. Farm and grain in commercial channels	-46	-134	-135	-65	-204	-404	-326	-
16. Statistical discrepancy	391	820	405	284	474	372	73	-
17. Gross Domestic Product at market prices	427,313 -0.3 -1.1	431,760 1.0 4.2	430,163 -0.4 -1.5	432,768 0.6 2.4	440,513 1.8 7.4	445,083 1.0 4.2	449,374 1.0 3.9	-
18. Final domestic demand	375,011 0.3	378,242 0.9	380,386 0.6	383,337 0.8	386,301 0.8	390,996 1.2	393,217 0.6	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted at annual rates, millions of dollars

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Wages, salaries and supplementary labour income (national basis)	206,046 2.4	210,875 2.3	214,127 1.5	218,069 1.8	223,921 2.7	230,102 2.8	233,234 1.4	235,711 1.1
2. Net income of farm operators from farm production	110 150.2	230 108.3	263 14.4	321 22.3	332 3.2	299 -10.0	221 -26.1	221 0.0
3. Net income of non-farm unincorporated business including rent	24,726 2.7	25,441 2.9	26,250 3.2	26,815 2.2	26,742 -0.3	27,042 1.1	27,363 1.2	27,654 1.1
4. Interest, dividends and miscellaneous investment income	44,245 -0.8	44,397 0.3	44,849 1.0	44,958 0.2	46,109 2.6	46,676 1.2	47,072 0.8	48,979 4.1
5. Current transfers from government, corporations and non-residents	39,343 -1.3	39,429 0.2	39,733 0.8	39,972 0.6	42,683 6.8	40,783 -4.5	40,923 0.3	40,887 -0.1
6. Equals: Personal income	314,469 1.5	320,370 1.9	325,222 1.5	330,135 1.5	339,786 2.9	344,902 1.5	348,814 1.1	353,451 1.3
7. Deduct: Personal direct taxes	55,913 2.2	56,334 0.8	57,329 1.8	58,208 1.5	59,435 2.1	60,308 1.5	60,609 0.5	58,288 -3.8
8. Other current transfers to government	20,070 2.8	20,411 1.7	20,739 1.6	21,205 2.2	22,375 5.5	22,852 2.1	23,284 1.9	23,609 1.4
9. Equals: Personal disposable income	238,486 1.2	243,625 2.2	247,154 1.4	250,723 1.4	257,977 2.9	261,742 1.5	264,921 1.2	271,554 2.5
10. Deduct: Personal expenditure on consumer goods and services	216,730 2.0	221,834 2.4	227,786 2.7	229,257 0.6	232,760 1.5	236,024 1.4	242,331 2.7	244,117 0.7
11. Current transfers to corporations	3,830 5.2	3,904 1.9	4,225 8.2	4,330 2.5	4,348 0.4	4,634 6.6	4,852 4.7	5,102 5.1
12. Current transfers to non-residents	551 -0.2	563 2.2	583 3.5	599 2.7	574 -4.1	586 2.1	596 1.5	604 1.4
13. Equals: Personal saving	17,376 -8.2	17,323 -0.3	14,560 -16.0	16,537 13.6	20,295 22.7	20,497 1.0	17,141 -16.4	21,732 26.8
14. Personal savings rate	7.3	7.1	5.9	6.6	7.9	7.8	6.5	8.0

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Wages, salaries and supplementary labour income (national basis)	239,157 1.5	240,846 0.7	241,344 0.2	241,844 0.2	245,953 1.7	249,603 1.5	252,826 1.3	-
2. Net income of farm operators from farm production	422 91.0	464 9.9	594 28.1	452 -23.9	393 -13.2	356 -9.3	348 -2.2	-
3. Net income of non-farm unincorporated business including rent	27,540 -0.4	27,827 1.0	28,407 2.1	29,010 2.1	29,909 3.1	30,687 2.6	31,516 2.7	-
4. Interest, dividends and miscellaneous investment income	47,770 -2.5	47,229 -1.1	46,670 -1.2	45,359 -2.8	44,271 -2.4	43,695 -1.3	43,083 -1.4	-
5. Current transfers from government, corporations and non-residents	44,397 8.6	42,943 -3.3	43,589 1.5	43,843 0.6	44,676 1.9	44,497 -0.4	44,675 0.4	-
6. Equals: Personal income	359,286 1.7	359,309 0.0	360,604 0.4	360,509 -0.0	365,201 1.3	368,839 1.0	372,448 1.0	-
7. Deduct: Personal direct taxes	61,211 5.0	61,790 0.9	62,970 1.9	62,677 -0.5	61,487 -1.9	60,564 -1.5	60,504 -0.1	-
8. Other current transfers to government	24,432 3.5	24,671 1.0	25,082 1.7	25,359 1.1	25,892 2.1	26,254 1.4	26,753 1.9	-
9. Equals: Personal disposable income	273,644 0.8	272,848 -0.3	272,552 -0.1	272,472 -0.0	277,823 2.0	282,020 1.5	285,191 1.1	-
10. Deduct: Personal expenditure on consumer goods and services	245,873 0.7	249,301 1.4	249,466 0.1	251,469 0.8	254,838 1.3	258,738 1.5	262,526 1.5	-
11. Current transfers to corporations	5,363 5.1	5,479 2.2	5,544 1.2	5,670 2.3	5,301 -6.5	5,185 -2.2	5,226 0.8	-
12. Current transfers to non-residents	628 4.1	688 9.5	716 4.0	723 1.1	673 -7.0	725 7.8	727 0.2	-
13. Equals: Personal saving	21,779 0.2	17,380 -20.2	16,826 -3.2	14,609 -13.2	17,010 16.4	17,373 2.1	16,712 -3.8	-
14. Personal savings rate	8.0	6.4	6.2	5.4	6.1	6.2	5.9	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO TRADE**TABLE 5***Seasonally adjusted at annual rates, millions of dollars*

	<u>1999 I</u>	<u>1999 II</u>	<u>1999 III</u>	<u>1999 IV</u>	<u>2000 I</u>	<u>2000 II</u>	<u>2000 III</u>	<u>2000 IV</u>
1. Exports of Goods and Services	280,398 1.9	278,853 -0.6	299,485 7.4	307,130 2.6	310,988 1.3	311,451 0.1	317,562 2.0	319,019 0.5
2. Of Which: International	210,149 2.2	206,823 -1.6	220,051 6.4	225,826 2.6	231,902 2.7	234,079 0.9	236,422 1.0	241,678 2.2
3. Of Which: Interprovincial	70,249 0.9	72,030 2.5	79,435 10.3	81,303 2.4	79,086 -2.7	77,372 -2.2	81,140 4.9	77,342 -4.7
4. Imports of Goods and Services	236,856 -0.3	237,719 0.4	255,627 7.5	264,481 3.5	268,383 1.5	269,866 0.6	277,476 2.8	278,000 0.2
5. Trade Balance	43,542	41,133	43,858	42,648	42,605	41,585	40,086	41,020

*Notes: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.*

ONTARIO TRADE**TABLE 5***Seasonally adjusted at annual rates, millions of dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Exports of Goods and Services	312,638 -2.0	310,542 -0.7	306,218 -1.4	300,347 -1.9	310,741 3.5	314,321 1.2	323,938 3.1	-
2. Of Which: International	233,123 -3.5	229,115 -1.7	222,252 -3.0	216,547 -2.6	224,678 3.8	226,588 0.9	234,626 3.5	-
3. Of Which: Interprovincial	79,514 2.8	81,427 2.4	83,966 3.1	83,801 -0.2	86,063 2.7	87,733 1.9	89,312 1.8	-
4. Imports of Goods and Services	269,375 -3.1	268,814 -0.2	264,242 -1.7	256,205 -3.0	265,042 3.4	274,212 3.5	281,863 2.8	-
5. Trade Balance	43,263	41,728	41,976	44,142	45,699	40,109	42,075	-

*Notes: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.*

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

1997 = 100

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Personal expenditure on consumer goods and services:	102.2 0.1	103.1 0.9	103.6 0.5	103.8 0.2	104.4 0.6	104.7 0.3	105.8 1.0	106.4 0.6
2. Goods	101.2 0.1	102.6 1.4	103.0 0.4	102.9 -0.0	103.9 1.0	104.0 0.1	105.0 0.9	106.1 1.1
3. Services	102.9 0.1	103.5 0.5	104.0 0.6	104.4 0.4	104.8 0.4	105.2 0.4	106.5 1.2	106.6 0.2
4. Government expenditure on goods and services:	101.4 -0.3	101.6 0.2	102.0 0.3	101.4 -0.5	101.5 0.1	105.8 4.2	106.4 0.6	104.6 -1.7
5. Current expenditure	101.8 -0.4	102.0 0.2	102.3 0.3	101.5 -0.7	101.5 -0.0	106.5 4.9	107.1 0.6	104.9 -2.0
6. Capital expenditure	98.9 0.4	98.9 0.0	99.7 0.8	100.4 0.7	101.7 1.3	101.1 -0.6	101.7 0.6	103.1 1.3
7. Business gross fixed capital formation:	102.1 1.0	101.4 -0.7	101.3 -0.1	100.5 -0.8	101.6 1.1	102.0 0.4	102.6 0.5	103.9 1.3
8. Residential construction	102.7 0.7	105.1 2.4	105.8 0.7	105.9 0.0	107.5 1.6	106.5 -0.9	108.2 1.6	109.5 1.2
9. Non-residential construction	103.3 1.0	104.1 0.8	104.1 -0.0	103.9 -0.1	106.0 2.0	108.6 2.4	109.0 0.4	111.0 1.8
10. Machinery and equipment	101.2 1.0	98.6 -2.6	97.8 -0.8	96.6 -1.2	97.0 0.4	97.7 0.8	97.5 -0.3	98.3 0.8
11. Exports of goods and services	101.6 -0.7	100.1 -1.4	100.7 0.6	101.6 0.9	102.3 0.7	102.7 0.3	102.3 -0.4	103.9 1.6
12. DEDUCT: Imports of goods and services	103.2 0.7	101.4 -1.7	103.3 1.9	104.4 1.0	104.5 0.2	105.7 1.1	105.6 -0.1	109.2 3.4
13. Gross Domestic Product at market prices	101.4 -0.2 -0.8	101.2 -0.2 -0.7	100.9 -0.3 -1.3	100.2 -0.7 -2.8	101.2 1.1 4.3	102.5 1.2 5.0	102.9 0.4 1.5	102.2 -0.6 -2.5
* 14. Final domestic demand	102.0 0.2	102.5 0.5	102.9 0.4	102.7 -0.2	103.3 0.6	104.5 1.1	105.4 0.9	105.6 0.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

1997 = 100

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	107.0 0.5	107.7 0.7	107.7 -0.0	107.4 -0.2	107.9 0.5	108.6 0.7	109.8 1.1	-
2. <i>Goods</i>	106.7 0.6	107.9 1.1	107.2 -0.6	106.1 -1.0	106.5 0.4	107.7 1.1	109.4 1.6	-
3. <i>Services</i>	107.0 0.4	107.5 0.4	108.0 0.4	108.4 0.4	109.1 0.6	109.3 0.3	110.1 0.6	-
4. Government expenditure on goods and services:	105.2 0.5	104.9 -0.3	105.7 0.8	106.0 0.2	106.3 0.3	106.8 0.5	107.2 0.4	-
5. <i>Current expenditure</i>	105.6 0.7	105.3 -0.3	106.2 0.9	106.5 0.3	106.7 0.1	107.2 0.5	107.7 0.4	-
6. <i>Capital expenditure</i>	102.5 -0.5	102.4 -0.1	101.9 -0.5	102.1 0.2	103.6 1.4	103.6 0.0	104.1 0.5	-
7. Business gross fixed capital formation:	104.1 0.3	104.9 0.7	104.1 -0.7	104.1 -0.0	106.3 2.1	105.8 -0.5	106.0 0.2	-
8. <i>Residential construction</i>	109.5 -0.0	111.0 1.3	111.8 0.7	113.6 1.6	115.9 2.0	116.1 0.2	116.9 0.7	-
9. <i>Non-residential construction</i>	111.0 0.1	111.2 0.2	111.4 0.1	111.2 -0.2	112.0 0.7	112.4 0.4	112.9 0.4	-
10. <i>Machinery and equipment</i>	98.8 0.5	99.5 0.8	97.9 -1.6	96.6 -1.4	99.1 2.6	98.0 -1.0	97.6 -0.4	-
11. Exports of goods and services	105.0 1.1	104.5 -0.4	103.5 -1.0	102.4 -1.1	103.3 0.9	103.6 0.3	104.3 0.6	-
12. DEDUCT: Imports of goods and services	109.5 0.3	109.3 -0.3	108.0 -1.1	107.5 -0.4	109.0 1.3	107.6 -1.3	108.6 0.9	-
13. Gross Domestic Product at market prices	103.5 1.3 5.1	103.4 -0.1 -0.5	103.3 -0.0 -0.2	102.3 -1.0 -4.0	102.8 0.5 2.1	104.3 1.5 6.1	104.8 0.5 2.1	-
14. Final domestic demand	106.1 0.4	106.6 0.5	106.6 -0.0	106.5 -0.1	107.3 0.7	107.7 0.4	108.6 0.8	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED**TABLE 7***Millions of dollars*

	1998	1999	2000	2001
1. Wages, salaries and supplementary labour income (domestic basis)	199,854 5.6	214,535 7.3	233,887 9.0	244,058 4.3
2. Corporation profits before taxes	39,501 5.2	49,248 24.7	49,441 0.4	41,742 -15.6
3. Interest and miscellaneous investment income	17,130 1.4	17,432 1.8	17,780 2.0	17,163 -3.5
4. Accrued net income of farm operators from farm production	235 -4.5	231 -1.7	268 16.0	483 80.2
5. Net income of non-farm unincorporated business including rent	24,050 6.2	25,808 7.3	27,200 5.4	28,196 3.7
6. Inventory valuation adjustment	-521	-1,071	-1,355	90
7. Net Domestic Income at factor cost	280,249 5.3	306,183 9.3	327,221 6.9	331,732 1.4
8. Indirect taxes less subsidies	51,436 3.6	54,858 6.7	56,934 3.8	59,120 3.8
9. Capital consumption allowances and miscellaneous valuation adjustments	46,212 6.2	48,058 4.0	49,291 2.6	53,000 7.5
10. Gross Domestic Product at market prices	377,897 5.2	409,099 8.3	433,446 6.0	443,852 2.4

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 8***Millions of dollars*

	1998	1999	2000	2001
1. Personal expenditure on consumer goods and services:	209,866 4.9	223,902 6.7	238,808 6.7	249,027 4.3
2. Goods	92,905 5.0	100,395 8.1	107,453 7.0	111,744 4.0
3. Services	116,961 4.8	123,507 5.6	131,355 6.4	137,283 4.5
4. Government expenditure on goods and services:	73,024 3.5	75,975 4.0	80,665 6.2	84,645 4.9
5. Current expenditure	65,646 4.6	67,379 2.6	71,521 6.1	74,346 3.9
6. Capital expenditure	7,378 -5.2	8,596 16.5	9,144 6.4	10,299 12.6
7. Business gross fixed capital formation:	59,448 5.3	65,757 10.6	69,644 5.9	70,120 0.7
8. Residential construction	17,227 0.4	20,136 16.9	21,831 8.4	23,070 5.7
9. Non-residential construction	10,374 3.7	11,538 11.2	11,564 0.2	11,709 1.3
10. Machinery and equipment	31,847 8.8	34,083 7.0	36,249 6.4	35,341 -2.5
11. Exports of goods and services	263,663 8.7	291,466 10.5	314,755 8.0	307,436 -2.3
12. DEDUCT: Imports of goods and services	229,462 7.6	248,671 8.4	273,431 10.0	264,659 -3.2
13. Value of physical change in inventories:	1,649	682	1,716	-3,209
14. Non-farm	1,800	793	1,906	-3,046
15. Farm and grain in commercial channels	-151	-111	-190	-163
16. Statistical discrepancy	-291	-13	1,289	491
17. Gross Domestic Product at market prices	377,897 5.2	409,099 8.3	433,446 6.0	443,852 2.4
18. Final domestic demand	342,338 4.7	365,634 6.8	389,117 6.4	403,792 3.8

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 9***Millions of chained (1997) dollars*

	1998	1999	2000	2001
1. Personal expenditure on consumer goods and services:	207,083 3.5	217,037 4.8	226,628 4.4	231,748 2.3
2. Goods	92,388 4.4	98,011 6.1	102,554 4.6	104,463 1.9
3. Services	114,703 2.8	119,077 3.8	124,168 4.3	127,427 2.6
4. Government expenditure on goods and services:	71,965 2.0	74,761 3.9	77,110 3.1	80,265 4.1
5. Current expenditure	64,616 3.0	66,122 2.3	68,139 3.1	70,190 3.0
6. Capital expenditure	7,353 -5.5	8,639 17.5	8,972 3.9	10,075 12.3
7. Business gross fixed capital formation:	58,278 3.3	64,918 11.4	67,939 4.7	67,240 -1.0
8. Residential construction	16,845 -1.8	19,195 13.9	20,219 5.3	20,696 2.4
9. Non-residential construction	10,171 1.6	11,110 9.2	10,653 -4.1	10,529 -1.2
10. Machinery and equipment	31,265 6.8	34,603 10.7	37,137 7.3	35,994 -3.1
11. Exports of goods and services	260,372 7.3	288,565 10.8	306,266 6.1	296,043 -3.3
12. DEDUCT: Imports of goods and services	223,274 4.7	241,242 8.0	257,331 6.7	243,723 -5.3
13. Value of physical change in inventories:	2,572	1,403	2,404	-2,117
14. Non-farm	2,550	1,423	2,550	-2,040
15. Farm and grain in commercial channels	21	-23	-158	-95
16. Statistical discrepancy	-287	-12	1,269	475
17. Gross Domestic Product at market prices	376,716 4.8	405,352 7.6	424,096 4.6	430,501 1.5
18. Final domestic demand	337,327 3.1	356,692 5.7	371,652 4.2	379,244 2.0

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 10

Millions of dollars

	1998	1999	2000	2001
1. Wages, salaries and supplementary labour income (national basis)	197,317 5.5	212,279 7.6	230,742 8.7	240,798 4.4
2. Net income of farm operators from farm production	235 -4.5	231 -1.7	268 16.0	483 80.2
3. Net income of non-farm unincorporated business including rent	24,050 6.2	25,808 7.3	27,200 5.4	28,196 3.7
4. Interest, dividends and miscellaneous investment income	43,459 3.6	44,612 2.7	47,209 5.8	46,757 -1.0
5. Current transfers from government, corporations and non-residents	39,591 5.2	39,619 0.1	41,319 4.3	43,693 5.7
6. Equals: Personal income	304,652 5.2	322,549 5.9	346,738 7.5	359,927 3.8
7. Deduct: Personal direct taxes	53,643 6.3	56,946 6.2	59,660 4.8	62,162 4.2
8. Other current transfers to government	19,547 4.5	20,606 5.4	23,030 11.8	24,886 8.1
9. Equals: Personal disposable income	231,462 5.0	244,997 5.8	264,048 7.8	272,879 3.3
10. Deduct: Personal expenditure on consumer goods and services	209,866 4.9	223,902 6.7	238,808 6.7	249,027 4.3
11. Current transfers to corporations	3,527 16.4	4,072 15.5	4,734 16.3	5,514 16.5
12. Current transfers to non-residents	545 11.2	574 5.3	590 2.8	689 16.8
13. Equals: Personal saving	17,524 4.4	16,449 -6.1	19,916 21.1	17,649 -11.4
14. Personal savings rate	7.6	6.7	7.5	6.5

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO TRADE**TABLE 11***Millions of dollars*

	1998	1999	2000	2001
1. Exports of Goods and Services	263,663 8.7	291,466 10.5	314,755 8.0	307,436 -2.3
2. Of Which: International	193,513 12.3	215,712 11.5	236,020 9.4	225,259 -4.6
3. Of Which: Interprovincial	70,150 -0.0	75,754 8.0	78,735 3.9	82,177 4.4
4. Imports of Goods and Services	229,462 7.6	248,671 8.4	273,431 10.0	264,659 -3.2
5. Trade Balance	34,201	42,795	41,324	42,777

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 12

1997 = 100

	1998	1999	2000	2001
1. Personal expenditure on consumer goods and services:	101.3 1.3	103.2 1.8	105.4 2.1	107.5 2.0
2. Goods	100.6 0.6	102.4 1.8	104.8 2.3	107.0 2.1
3. Services	102.0 2.0	103.7 1.7	105.8 2.0	107.7 1.8
4. Government expenditure on goods and services:	101.5 1.5	101.6 0.1	104.6 2.9	105.5 0.8
5. Current expenditure	101.6 1.6	101.9 0.3	105.0 3.0	105.9 0.9
6. Capital expenditure	100.4 0.4	99.5 -0.9	101.9 2.4	102.2 0.3
7. Business gross fixed capital formation:	102.0 2.0	101.3 -0.7	102.5 1.2	104.3 1.8
8. Residential construction	102.3 2.3	104.9 2.5	108.0 3.0	111.5 3.2
9. Non-residential construction	102.0 2.0	103.8 1.8	108.6 4.6	111.2 2.4
10. Machinery and equipment	101.9 1.9	98.5 -3.3	97.6 -0.9	98.2 0.6
11. Exports of goods and services	101.3 1.3	101.0 -0.3	102.8 1.8	103.8 1.0
12. DEDUCT: Imports of goods and services	102.8 2.8	103.1 0.3	106.3 3.1	108.6 2.2
13. Gross Domestic Product at market prices	100.3 0.3	100.9 0.6	102.2 1.3	103.1 0.9
14. Final domestic demand	101.5 1.5	102.5 1.0	104.7 2.1	106.5 1.7

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted at annual rates, millions of dollars*

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Primary	7,716 4.2	7,741 0.3	7,769 0.4	7,820 0.7	7,688 -1.7	7,772 1.1	7,593 -2.3	7,475 -1.6
2. Utilities	9,734 1.4	9,707 -0.3	9,978 2.8	10,012 0.3	10,055 0.4	10,289 2.3	10,245 -0.4	10,458 2.1
3. Construction	16,994 5.8	17,572 3.4	17,924 2.0	18,241 1.8	18,637 2.2	18,402 -1.3	18,437 0.2	18,464 0.1
4. Manufacturing	80,459 1.0	81,781 1.6	83,668 2.3	83,588 -0.1	85,005 1.7	86,096 1.3	86,764 0.8	85,661 -1.3
5. Goods Producing Industries	114,904 1.9	116,802 1.7	119,338 2.2	119,662 0.3	121,385 1.4	122,558 1.0	123,040 0.4	122,057 -0.8
6. Wholesale and Retail Trade	42,618 3.5	43,537 2.2	44,941 3.2	45,675 1.6	45,759 0.2	46,906 2.5	47,816 1.9	47,854 0.1
7. Transportation and Warehousing	14,574 -0.9	15,059 3.3	15,671 4.1	16,061 2.5	15,773 -1.8	15,995 1.4	16,350 2.2	16,020 -2.0
8. Information and Cultural	13,778 7.3	14,348 4.1	15,144 5.6	15,594 3.0	15,946 2.3	16,394 2.8	16,946 3.4	17,563 3.6
9. Finance, Insurance, Real Estate, Rental and Leasing	77,193 1.7	78,223 1.3	79,676 1.9	80,400 0.9	81,530 1.4	81,900 0.5	82,801 1.1	83,571 0.9
10. Professional, Scientific and Technical Services	17,250 4.1	17,838 3.4	18,236 2.2	18,917 3.7	19,202 1.5	19,768 2.9	20,440 3.4	20,929 2.4
11. Administrative Support, Waste Management and Remediation Services	8,343 1.8	8,491 1.8	8,624 1.6	8,805 2.1	8,916 1.3	9,042 1.4	9,204 1.8	9,386 2.0
12. Educational Services	17,257 -0.0	17,441 1.1	17,603 0.9	17,711 0.6	17,259 -2.6	17,440 1.0	17,522 0.5	17,500 -0.1
13. Health Care and Social Services	20,235 1.6	20,561 1.6	20,695 0.7	20,978 1.4	20,921 -0.3	21,008 0.4	21,149 0.7	21,228 0.4
14. Arts, Entertainment and Recreation	3,197 1.3	3,340 4.5	3,417 2.3	3,540 3.6	3,544 0.1	3,496 -1.4	3,627 3.7	3,726 2.7
15. Accommodation and Food Services	7,974 4.3	8,110 1.7	8,116 0.1	8,117 0.0	8,026 -1.1	8,230 2.5	8,427 2.4	8,466 0.5
16. Other Services & Misc. Adjustments	8,119 1.3	8,184 0.8	8,176 -0.1	8,257 1.0	8,253 -0.0	8,275 0.3	8,341 0.8	8,487 1.8
17. Public Administration	18,562 0.3	18,683 0.7	18,403 -1.5	18,688 1.5	18,816 0.7	19,105 1.5	19,229 0.6	19,486 1.3
18. Services Producing Industries	249,101 2.1	253,815 1.9	258,702 1.9	262,741 1.6	263,944 0.5	267,558 1.4	271,851 1.6	274,218 0.9
19. Total Production	364,005 2.1	370,616 1.8	378,040 2.0	382,402 1.2	385,329 0.8	390,116 1.2	394,892 1.2	396,275 0.4
	* 8.5	* 7.5	* 8.3	* 4.7	* 3.1	* 5.1	* 5.0	* 1.4

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Primary	7,396 -1.1	7,316 -1.1	7,142 -2.4	7,123 -0.3	6,848 -3.9	6,894 0.7	6,728 -2.4	-
2. Utilities	10,162 -2.8	10,375 2.1	10,027 -3.4	10,186 1.6	10,249 0.6	10,278 0.3	10,054 -2.2	-
3. Construction	18,988 2.8	19,216 1.2	19,674 2.4	20,080 2.1	20,621 2.7	20,133 -2.4	20,560 2.1	-
4. Manufacturing	82,696 -3.5	82,741 0.1	79,942 -3.4	79,011 -1.2	82,518 4.4	83,679 1.4	84,617 1.1	-
5. Goods Producing Industries	119,242 -2.3	119,649 0.3	116,785 -2.4	116,400 -0.3	120,236 3.3	120,985 0.6	121,958 0.8	-
6. Wholesale and Retail Trade	47,666 -0.4	48,105 0.9	47,823 -0.6	48,157 0.7	49,451 2.7	50,109 1.3	50,216 0.2	-
7. Transportation and Warehousing	15,948 -0.4	15,707 -1.5	15,586 -0.8	15,560 -0.2	15,657 0.6	15,841 1.2	15,853 0.1	-
8. Information and Cultural	17,766 1.2	18,229 2.6	18,577 1.9	19,145 3.1	19,622 2.5	20,042 2.1	20,287 1.2	-
9. Finance, Insurance, Real Estate, Rental and Leasing	84,317 0.9	85,126 1.0	85,771 0.8	86,741 1.1	87,721 1.1	88,554 1.0	89,154 0.7	-
10. Professional, Scientific and Technical Services	21,223 1.4	21,644 2.0	21,697 0.2	21,683 -0.1	22,018 1.5	22,282 1.2	22,527 1.1	-
11. Administrative Support, Waste Management and Remediation Services	9,447 0.6	9,510 0.7	9,480 -0.3	9,424 -0.6	9,615 2.0	9,634 0.2	9,850 2.2	-
12. Educational Services	17,503 0.0	17,463 -0.2	17,524 0.4	17,465 -0.3	17,413 -0.3	17,482 0.4	17,500 0.1	-
13. Health Care and Social Services	21,287 0.3	21,537 1.2	21,868 1.5	22,154 1.3	22,484 1.5	22,406 -0.3	22,566 0.7	-
14. Arts, Entertainment and Recreation	3,721 -0.1	3,642 -2.1	3,597 -1.2	3,591 -0.2	3,511 -2.2	3,735 6.4	3,594 -3.8	-
15. Accommodation and Food Services	8,680 2.5	8,659 -0.2	8,291 -4.2	8,340 0.6	8,190 -1.8	8,254 0.8	8,384 1.6	-
16. Other Services & Misc. Adjustments	8,583 1.1	8,661 0.9	8,609 -0.6	8,496 -1.3	8,512 0.2	8,532 0.2	8,611 0.9	-
17. Public Administration	19,665 0.9	19,944 1.4	20,048 0.5	20,151 0.5	19,933 -1.1	19,681 -1.3	20,952 6.5	-
18. Services Producing Industries	275,805 0.6	278,226 0.9	278,871 0.2	280,907 0.7	284,126 1.1	286,551 0.9	289,495 1.0	-
19. Total Production	395,047 -0.3 -1.2	397,875 0.7 2.9	395,656 -0.6 -2.2	397,307 0.4 1.7	404,361 1.8 7.3	407,536 0.8 3.2	411,453 1.0 3.9	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of dollars

	1998	1999	2000	2001
1. Primary	7,196 4.9	7,762 7.9	7,632 -1.7	7,244 -5.1
2. Utilities	9,722 -3.0	9,858 1.4	10,262 4.1	10,187 -0.7
3. Construction	15,604 0.5	17,683 13.3	18,485 4.5	19,490 5.4
4. Manufacturing	76,860 7.3	82,374 7.2	85,881 4.3	81,098 -5.6
5. Goods Producing Industries	109,382 5.1	117,676 7.6	122,260 3.9	118,019 -3.5
6. Wholesale and Retail Trade	39,994 10.0	44,193 10.5	47,084 6.5	47,938 1.8
7. Transportation and Warehousing	14,319 1.7	15,341 7.1	16,035 4.5	15,700 -2.1
8. Information and Cultural	12,133 6.1	14,716 21.3	16,712 13.6	18,429 10.3
9. Finance, Insurance, Real Estate, Rental and Leasing	74,129 3.3	78,873 6.4	82,450 4.5	85,489 3.7
10. Professional, Scientific and Technical Services	15,677 12.7	18,060 15.2	20,085 11.2	21,561 7.4
11. Administrative Support, Waste Management and Remediation Services	7,861 7.7	8,566 9.0	9,137 6.7	9,465 3.6
12. Educational Services	17,179 1.5	17,503 1.9	17,430 -0.4	17,489 0.3
13. Health Care and Social Services	19,889 0.9	20,617 3.7	21,076 2.2	21,712 3.0
14. Arts, Entertainment and Recreation	3,140 -0.9	3,373 7.4	3,599 6.7	3,638 1.1
15. Accommodation and Food Services	7,575 8.2	8,079 6.7	8,287 2.6	8,492 2.5
16. Other Services & Misc. Adjustments	7,711 4.1	8,184 6.1	8,339 1.9	8,587 3.0
17. Public Administration	18,442 0.9	18,584 0.8	19,159 3.1	19,952 4.1
18. Services Producing Industries	238,050 4.7	256,089 7.6	269,393 5.2	278,452 3.4
19. Total Production	347,432 4.9	373,766 7.6	391,653 4.8	396,471 1.2

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ISSN 0828-3877

CA20N
TR17
- B75

March 2003

**Ontario
Ministry
of Finance**

**Fourth
Quarter
of 2002**
(October, November,
December)

Ontario Economic Accounts



March 2003

Fourth Quarter of 2002

(October, November, December)

Ontario Economic Accounts



Ontario Ministry of Finance

For further information on the Ontario Economic Accounts, please contact:

David West
(416) 325-0778
email - david.west@fin.gov.on.ca

Harvey Bradley
(416) 325-0773
email - harvey.bradley@fin.gov.on.ca

Jacques Marcil
(416) 325-0761
email - jacques.marcil@fin.gov.on.ca

Ministry of Finance
Macroeconomic Analysis & Policy Branch
Current Analysis Unit
95 Grosvenor St., 6th Fl. Frost Bldg. N.
Toronto, ON M7A 1Z1

This document is also available on the Internet at
<http://www.gov.on.ca/FIN/english/oecoeng.htm>

Ce document est disponible en français.

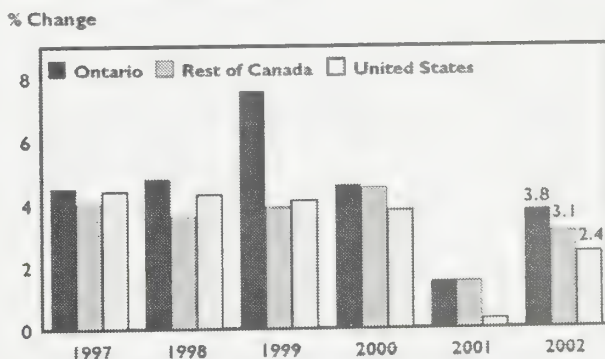
Table of Contents

Highlights	1
Demand and Incomes	3
Ontario Production By Industry	7
Ontario Economic Accounts: Summary 1999:1-2002:4	12
List of Tables	15

HIGHLIGHTS

- ❑ Ontario's **real GDP** grew by 3.8% in 2002, more than double the 1.5% pace in 2001. Ontario's economy outperformed both the Canadian economy which advanced 3.4% and the U.S. economy which grew 2.4% in 2002.
- ❑ **Final domestic demand** increased by 3.3% in 2002, as consumer demand picked up and housing investment surged.
- ❑ **Real consumer spending** growth accelerated to 3.3% in 2002 after slowing to 2.3% in 2001. Demand was strongest for durable goods, especially furniture, appliances and autos.
- ❑ **Housing market activity** soared 11.8% in 2002, the strongest gain in three years, with home resales and new housing construction advancing strongly.
- ❑ Business expenditures for **plant and equipment** rebounded 1.5% in 2002, following a 2.7% decline in 2001. Higher machinery and equipment investment more than offset a drop in non-residential construction.
- ❑ Responding to improving demand, Ontario businesses began accumulating **inventories** in 2002, after reducing stocks in 2001.
- ❑ **Export** growth rebounded by 2.9% in 2002, after falling 3.3% in 2001. A pickup in auto exports more than offset weaker machinery and equipment exports.
- ❑ Stronger domestic demand, especially household sector spending, led to a 4.0% jump in **real imports** in 2002. In particular, auto imports rebounded strongly in 2002.
- ❑ In current dollars, **nominal GDP** grew 5.1% in 2002, over twice the 2.4% pace of 2001. Prices as measured by the GDP price deflator rose 1.3% in 2002, up from the 0.9% increase in 2001.

**Ontario Real GDP Growth
Rebounds in 2002**



- ❑ **By industry**, gains in 2002 were led by wholesale and retail trade (+6.6%) and finance and real estate (+5.1%). Manufacturing advanced 3.1%, propelled by a 9.3% jump in the auto industry.
- ❑ In the fourth quarter, **real output** increased at an annual rate of 1.3%, after averaging 5.2% growth over the first three quarters of the year. Consumer spending (+1.4%), government spending (+1.2%) and residential investment (+0.5%) contributed to overall growth, while Ontario's exports fell 1.6%.
- ❑ In the fourth quarter, **wholesale trade** (+2.9%), retail trade (+1.9%) and construction (+1.5%) made the most significant gains, while manufacturing fell 0.8%.

ONTARIO ECONOMIC ACCOUNTS: HIGHLIGHTS

(% change from previous period)

	2001	2002	2002:1	2002:2	2002:3	2002:4
Real GDP (\$ 1997)	1.5	3.8	1.9	1.0	1.1	0.3
(annualized rate on second line)			7.6	3.9	4.3	1.3
Personal spending	2.3	3.3	0.9	0.9	0.6	1.4
Government spending	4.1	2.0	-0.7	0.7	0.6	1.2
Residential construction	2.4	11.8	5.9	1.2	2.7	0.5
Non-residential construction	-1.2	-3.2	-2.8	-0.7	-0.3	0.2
Machinery & equipment	-3.1	2.9	0.5	3.8	0.7	-0.1
Exports	-3.3	2.9	2.2	0.9	2.5	-1.6
Imports	-5.3	4.0	1.8	4.5	1.9	0.2
Business inventories (\$1997 billions)	-2.0	3.2	-3.4	4.9	4.7	6.4
Nominal GDP (\$ Current)	2.4	5.1	2.5	2.4	1.4	1.4
Corporation profits	-15.6	4.4	14.8	7.1	3.5	2.4
Personal income	3.8	2.9	1.3	0.9	0.9	1.1
Disposable income	3.3	3.6	2.0	1.3	0.9	0.8
Prices GDP deflator	0.9	1.3	0.7	1.4	0.4	1.0

DEMAND AND INCOMES

ONTARIO HOUSEHOLDS SUPPORT ECONOMIC GROWTH IN 2002

Ontario households spurred economic growth in 2002 with combined personal spending and residential investment accounting for over 60 per cent of total real growth. Real consumer spending rebounded strongly in 2002, increasing by 3.3 per cent as Ontarians benefited from reduced taxes, low interest rates and increased employment.

Spending on big-ticket durable goods such as autos, furniture and appliances increased strongly in 2002 stimulated by the strong housing market and competitive financing incentives for vehicles. Auto sales increased to record levels in 2002, boosting overall goods consumption by 4.1%, double the 2001 rate.

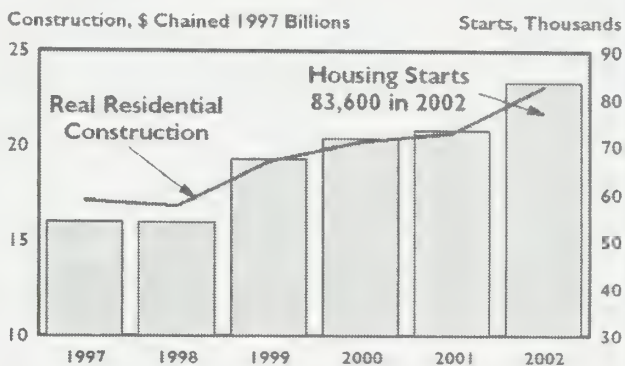
Spending on services also accelerated in 2002, growing by 2.7%, with purchases of communication services rising at a brisk pace.

Underpinning the strong household spending growth, was a 3.6% rise in personal disposable income in 2002, driven by continued growth in labour income, up 4.3% in 2002, and by a 1.2% drop in personal direct taxes.

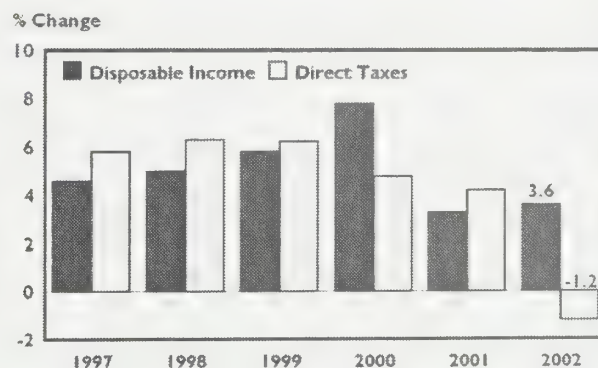
Housing investment soared 11.8% in 2002, its strongest performance in three years. Conventional five-year mortgage rates averaged 7.0% in 2002, their lowest level in decades. Together with rising after-tax incomes, the low rates made housing more affordable for Ontario's growing population and helped boost the demand for new homes. In 2002, Ontario housing starts jumped over 14% to 83,600 units, the highest level of activity in over 13 years while the number of home resales increased by 9.3%.

In the fourth quarter, consumer spending increased 1.4%, up from the 0.6% advance recorded in the third

Housing Activity



Personal Disposable Income



quarter. Most categories of expenditures grew, led by a rebound in auto sales in the fourth quarter. Growth in both goods consumption (+2.0%) and service consumption (+1.0%) accelerated from slower third quarter spending.

Residential construction moderated from 2.7% growth in the third quarter to a 0.5% gain in the fourth quarter. The year-end level was 10.6% higher than at the end of 2001.

BUSINESS INVESTMENT POSTS MODEST GAINS IN 2002 WHILE PROFITS RECOVER

Real business plant and equipment investment grew by 1.5% in 2002, rebounding from a 2.7% decline in 2001. The 2002 improvement was due to a 2.9% rebound in machinery and equipment spending, following a 3.1% decline in 2001. Machinery and equipment gains were concentrated in cars and trucks. This, along with increased real business expenditures on software, computers and office equipment, more than offset the continued weakness in telecommunications capital spending.

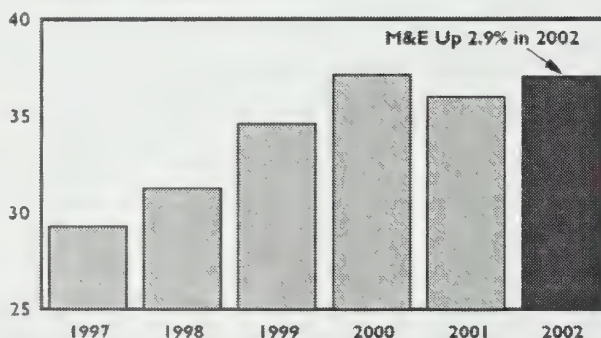
Business investment in non-residential structures declined 3.2% in 2002, after falling by 1.2% in 2001 and 4.1% in 2000.

Ontario pre-tax corporate profits increased 4.4% in 2002, partially recovering from the 15.6% decline in 2001. Growth was concentrated in the non-financial sector with manufacturers, wholesalers and retailers all reporting higher profits for the year.

In the fourth quarter, real business plant and equipment investment remained unchanged following a 0.5% increase in the third quarter. A 0.2% increase in non-residential construction was offset by a 0.1% drop in machinery and equipment investment in the fourth quarter.

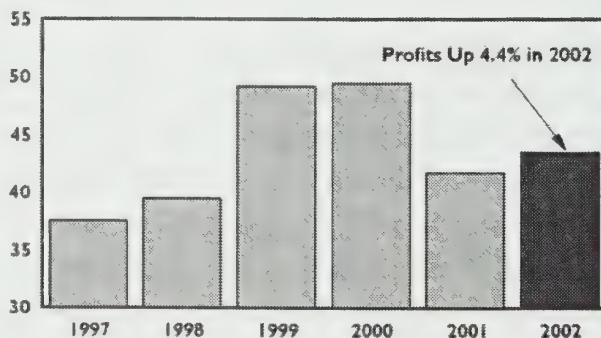
Machinery and Equipment Investment Rebounds in 2002

\$ Chained 1997 Billions



Corporation Profits Rebound in 2002

\$ Billions



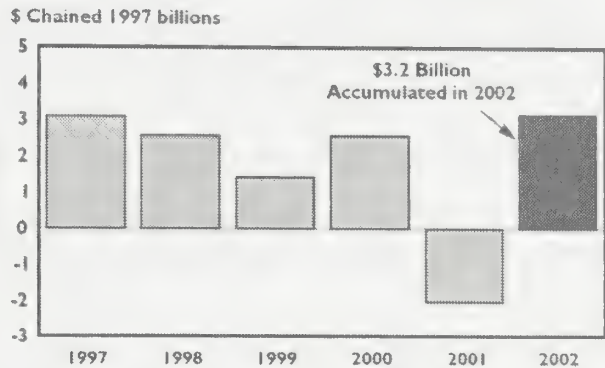
Pre-tax corporate profits rose 2.4% in the fourth quarter of 2002, the fourth consecutive quarter of profit growth.

INVENTORY LEVELS RISE IN 2002

Ontario businesses accumulated inventories in 2002 following inventory reductions during 2001. Boosted by rising foreign and domestic demand, businesses added \$3.2 billion to total business stocks, reversing the \$2.0 billion drop in 2001 inventory levels. Manufacturers, wholesalers and retailers all increased inventory levels. The largest contributor was the rebuilding of motor vehicle stocks throughout the year.

The inventory build-up accelerated in the fourth quarter of 2002 with an accumulation of \$6.4 billion, the third consecutive quarterly rise in stocks in 2002 and the largest since mid-1995. While increases in stocks were widespread across manufacturing, retailing and wholesaling sectors, retail motor vehicle inventories dominated, boosted by increased motor vehicle imports in the final quarter of 2002.

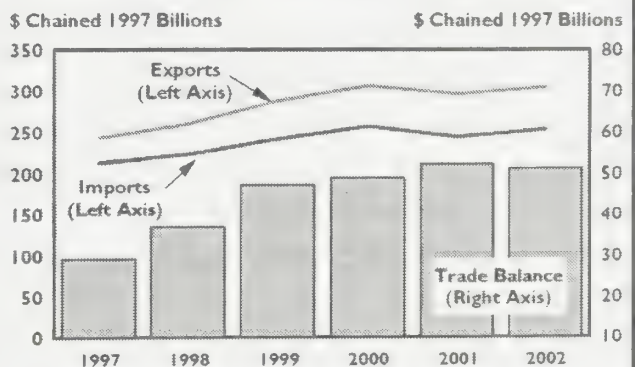
Inventory Accumulation



EXPORTS REBOUND IN 2002 AS US ECONOMY RECOVERS

Ontario real exports, (which include both international and interprovincial exports) rebounded by a solid 2.9% in 2002, after declining by 3.3% in 2001. The recovery of the U.S. economy in 2002, with growth of 2.4%, in comparison to the 0.3% growth of 2001, contributed to the rebound of Ontario's exports. Much of the increase came from stronger automotive exports to the U.S., as car sales remained strong with 16.7 million units purchased in 2002. Also contributing to the export rebound were industrial goods and materials. This was partially offset by reduced machinery and equipment exports, the result of continuing weakness in the export of telecommunications and computer-related products.

External Trade Balance



Ontario real imports increased 4.0% in 2002, after falling 5.3% in 2001. The gain was a reflection of the acceleration in domestic demand in 2002, which in turn was driven by strong growth in household spending as well as increased imports of auto parts associated with strong auto assembly growth.

Imports of automotive products and consumer goods were noticeably stronger in 2002. These, along with increased energy imports, more than offset weaker machinery and equipment imports in 2002.

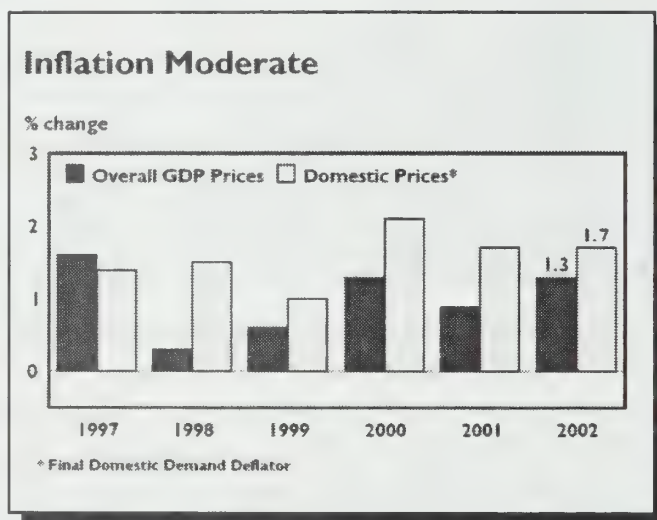
Real exports fell 1.6% in the fourth quarter, following three quarters of growth. The drop was due primarily to reduced motor vehicle exports which had been rising strongly earlier in 2002. U.S. consumer spending on motor vehicles declined by 6.2% in the quarter.

Real imports were little changed, growing 0.2% in the fourth quarter of 2002, after three consecutive quarters of growth, averaging 2.8%. Stronger energy and motor vehicle imports were offset by weaker auto part and machinery and equipment imports.

INFLATION REMAINS MODEST IN 2002

Average prices, as measured by the GDP price deflator, rose 1.3% in 2002, up from the 0.9% rise in 2001.

Higher prices were recorded for consumption (+1.5%), housing (+4.8%), and government spending (+2.1%). Export and import prices were relatively stable, rising just 0.3% and 0.5% respectively. While energy prices increased throughout the year, the overall price movement on an annual basis was lower in 2002 than in 2001. In addition, non-energy import prices, remained relatively stable in 2002, while prices for imports of services declined. Machinery and equipment prices fell 0.1%, mainly as a result of lower computer and software prices.



In the final quarter of 2002, prices rose 1.0%, following an average advance of 0.8% over the first three quarters.

ONTARIO PRODUCTION BY INDUSTRY

INDUSTRIAL PRODUCTION IN 2002

Ontario's industrial output grew by a strong 3.9% in 2002 following a 1.2% gain in 2001. The growth in 2002 was reflective of the strong domestic economy, with wholesale and retail trade (+6.6%) and finance and real estate (+5.1%) leading the advance. Manufacturing grew by 3.1% in 2002, propelled by a 9.3% jump in the auto industry, in turn the result of strong North American auto demand.

In the fourth quarter, wholesale trade (+2.9%), retail trade (+1.9%) and construction (+1.5%) made the most significant gains, while manufacturing stepped back 0.8%.

ONTARIO OUTPUT BY SECTOR

(% change from previous period, \$ 1997)

	2001	2002	2002:1	2002:2	2002:3	2002:4
Goods Sector	-3.5	2.6	3.3	0.6	0.5	-0.2
Primary Industries	-5.1	-4.5	-2.6	0.4	-1.2	0.0
Manufacturing	-5.6	3.1	4.5	1.4	0.9	-0.8
Of which: Auto Industry	-8.7	9.3	4.4	4.0	5.3	-2.6
Construction	5.4	3.8	2.2	-3.0	1.0	1.5
Utilities	-0.7	0.7	0.5	1.6	-2.8	1.8
Service Sector	3.4	4.4	1.5	1.7	1.1	0.6
Transportation and Warehousing	-2.1	1.4	1.3	1.4	0.1	-0.6
Wholesale and Retail Trade	1.8	6.6	3.6	1.9	0.8	2.4
Finance, Insurance and Real Estate	3.7	5.1	1.6	2.5	0.4	-0.4
Information and Cultural Industries	10.3	8.9	2.5	2.1	1.2	0.5
Public Administration	4.1	1.8	-1.5	-1.7	7.0	0.8
Ontario Output at Basic Prices (\$1997)	1.2	3.9	2.0	1.4	0.9	0.3
(annualized rate on second line)			8.4	5.6	3.8	1.4

Note: Real Output by sector is measured as gross domestic product at basic prices using Laspeyres' price indices. A switch to the chain Fisher method of price deflation is scheduled for the fall of 2003.

MANUFACTURING BOUNCES BACK

Manufacturing sector output grew 3.1% in 2002, rebounding solidly after a 5.6% loss in 2001, its first annual decline in a decade.

Spurred by growing U.S. and Canadian sales, auto industry output rose 9.3%, with parts manufacturing up 10.1% and auto assembly up 7.6%. The auto industry, which represents 21% of Ontario's manufacturing output, contributed almost 60% of manufacturing growth.

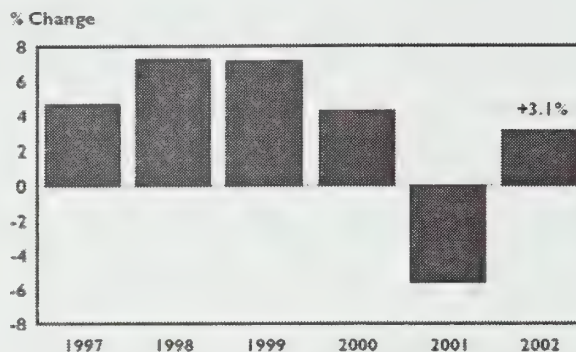
Other strong gains in manufacturing include primary and fabricated metal (+8.1%) and chemical and petroleum products (+9.0%).

The strength of Ontario manufacturing translated into the creation of 32,100 jobs in the sector in 2002, more than erasing the 11,100 jobs lost in 2001.

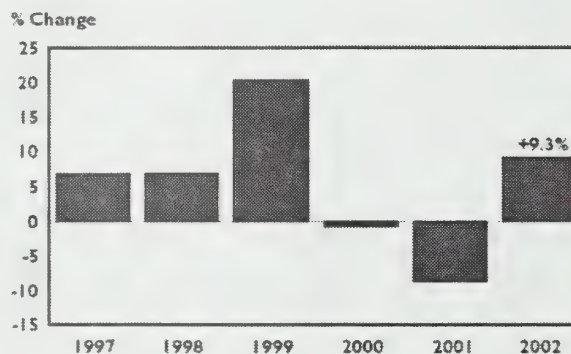
In the fourth quarter, manufacturing output fell 0.8%, in part the result of a 2.6% decline in the auto sector as the industry adjusted to rising inventories. Electrical and electronic products output fell 3.3% in the fourth quarter, continuing the downward trend which began in 2001.

These losses were offset by fourth quarter gains in machinery manufacturing (+7.2%) and in chemical and petroleum products (+2.5%).

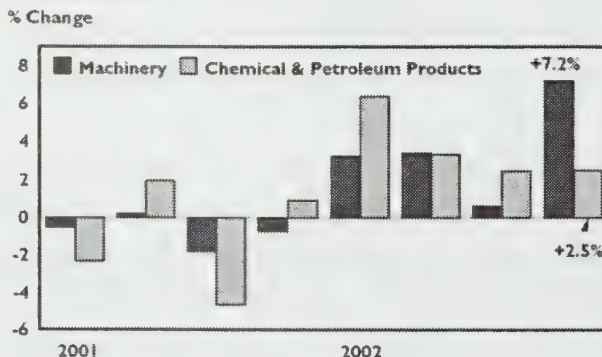
Manufacturing Output



Auto Industry Output



Machinery, Chemical and Petroleum Products



BIG TICKET CONSUMER PURCHASES DRIVE RETAIL AND WHOLESALE

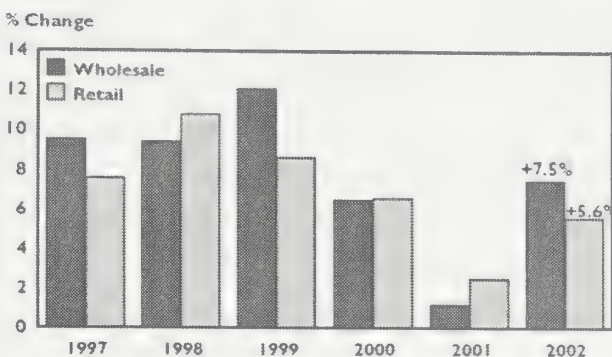
Wholesalers' output jumped 7.5% in 2002, following an advance of 1.2% in 2001. Strong sales in the automotive and lumber and building materials sectors boosted the overall sector.

Similarly, retailing activity jumped 5.6% in 2002, following 2.5% growth in 2001. Sustained by the strong housing market, furniture stores reported their best year since 1987.

In the fourth quarter, the combined solid growth of both wholesale (+2.9%) and retail (+1.9%) contributed nearly 90% of overall industry production growth.

Since 1996, Ontario retailing and wholesaling have grown at average annual rates of 6.9% and 7.6% respectively, compared to 4.4% for the total economy.

Wholesale and Retail Trade Output



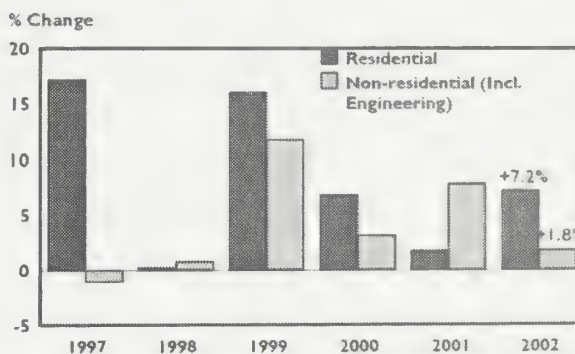
SOLID CONSTRUCTION PERFORMANCE

Construction activity rose 3.8% in 2002, marking the sixth consecutive year of growth, a performance not equaled even during the 1980s construction boom.

Residential construction surged 7.2% in 2002, its strongest result in three years, as low interest rates stimulated housing demand, which pushed housing starts to their highest level since 1989.

Non-residential construction (including engineering) rose 1.8% after surging 7.8% in 2001. Growth in this industry was led by the institutional sector, including hospitals, universities and colleges.

Construction Output



In the fourth quarter, non-residential construction rose 3.5%, ending three quarters of decline. The value of non-residential building permits jumped almost 14% in the fourth quarter, the strongest such gain in

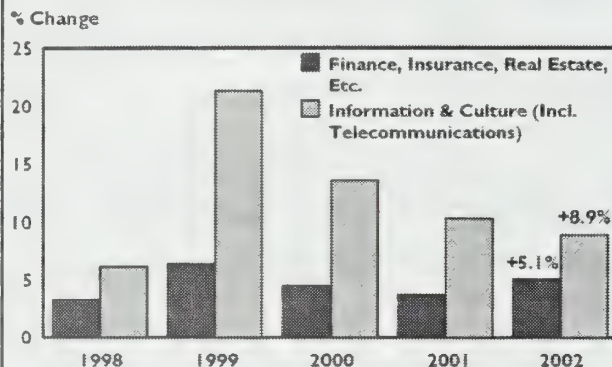
more than two years. Residential construction stepped back 1.6% in the fourth quarter from the previous quarter's record peak of more than \$8 billion.

FINANCE AND COMMUNICATIONS KEEP GROWING

Production in the finance, insurance, real estate and rental industry rose 5.1% in 2002, buoyed by unprecedented real estate activity as home resales jumped 9.3% to reach a record of 177,000 units sold. In the fourth quarter, in spite of continued strength in home resales, the financial industry output declined 0.4% as investors grew increasingly cautious in reaction to low returns on the financial markets.

Output of the information and culture sector (which includes the telecommunications industry) advanced 8.9% in 2002 after growing at an average annual rate of 15% since 1998.

Finance and Communications Output

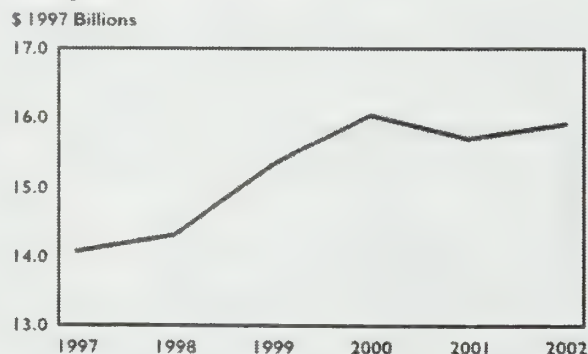


OTHER SERVICES PRODUCING INDUSTRIES

The transportation and warehousing sector rose 1.4% in 2002 but failed to recoup all the losses which were incurred in 2001 by the aviation industry.

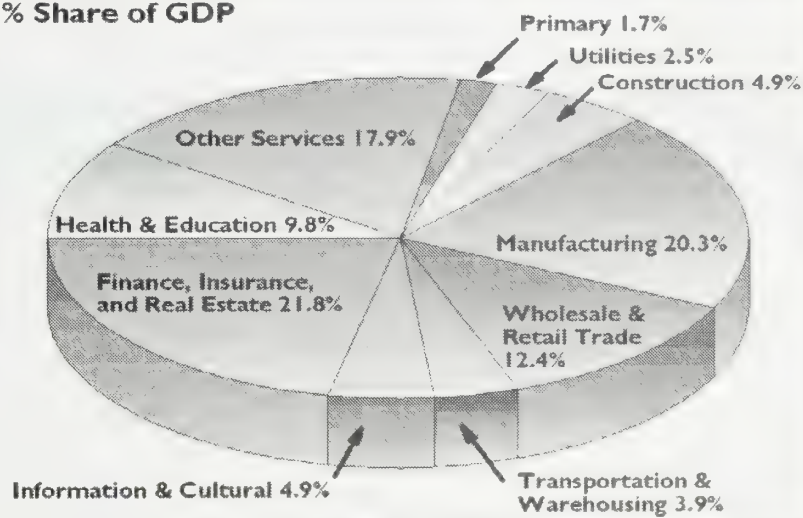
Public administration output growth decelerated to 1.8% in 2002 after reaching 4.1% in 2001.

Transportation & Warehousing Output



Structure of the Ontario Economy, 2002

% Share of GDP

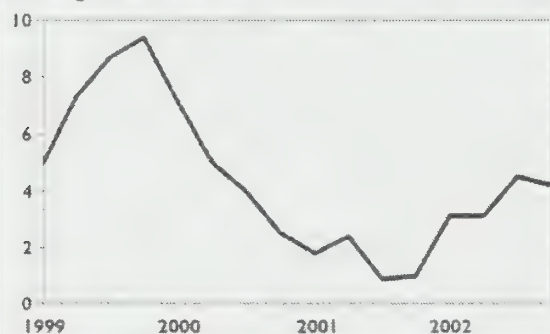


ONTARIO ECONOMIC ACCOUNTS: SUMMARY

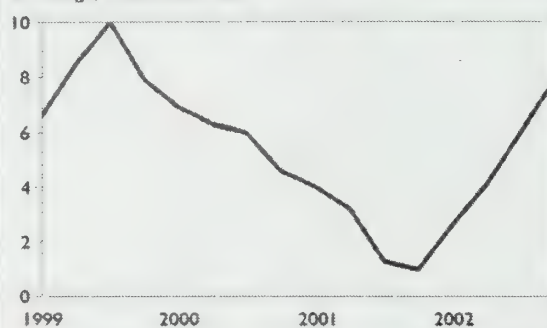
(1999:1 - 2002:4)

**Gross Domestic Product
(Chained \$ 1997)**

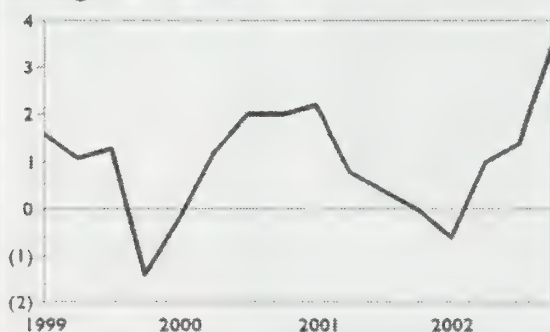
% Change, Year-Over-Year

**Gross Domestic Product
(\$ Current)**

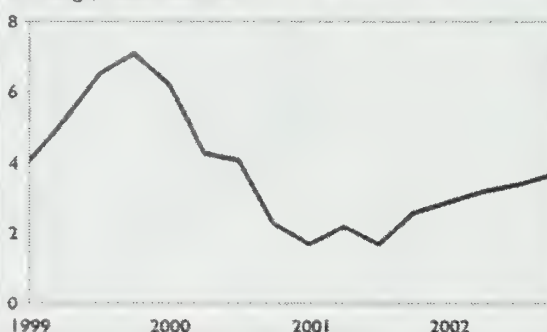
% Change, Year-Over-Year

**GDP Deflator
(1997 = 100)**

% Change, Year-Over-Year

**Final Domestic Demand
(Chained \$ 1997)**

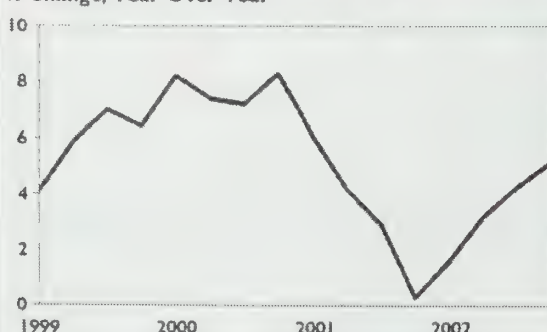
% Change, Year-Over-Year

**Personal Income
(\$ Current)**

% Change, Year-Over-Year

**Personal Disposable Income
(\$ Current)**

% Change, Year-Over-Year

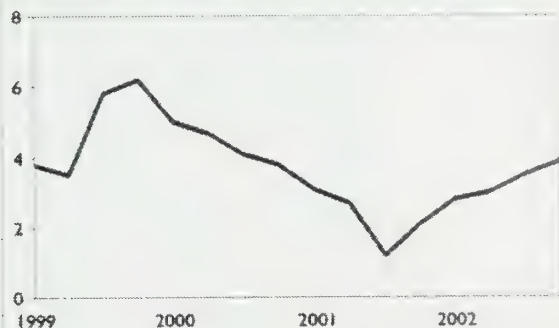


ONTARIO ECONOMIC ACCOUNTS: SUMMARY

(1999:1 - 2002:4)

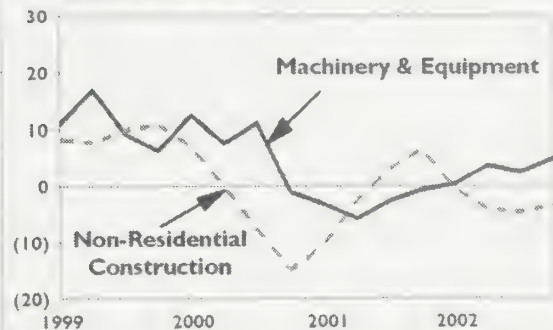
Consumer Spending (Chained \$ 1997)

% Change, Year-Over-Year



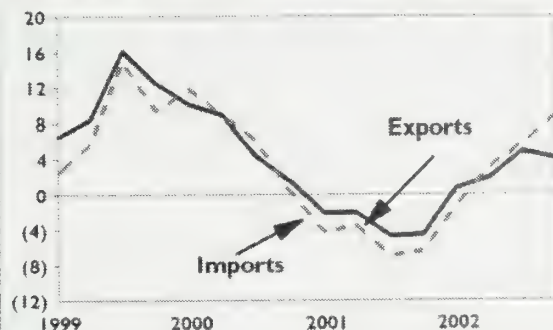
Business Plant & Equipment (Chained \$ 1997)

% Change, Year-Over-Year



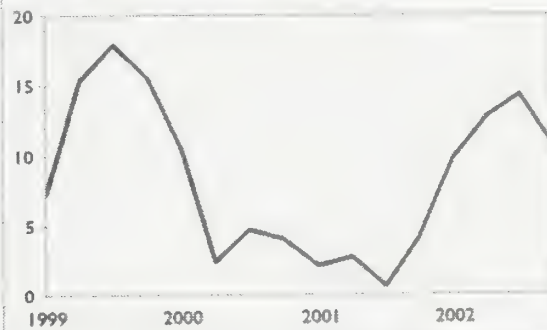
Trade (Chained \$ 1997)

% Change, Year-Over-Year



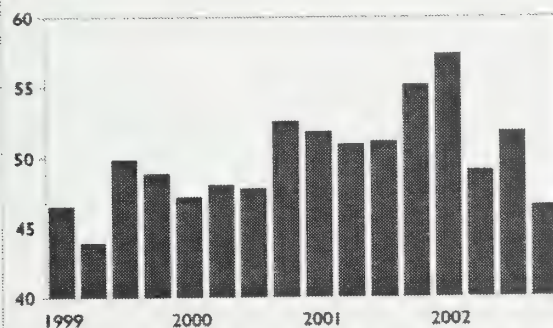
Residential Construction (Chained \$ 1997)

% Change, Year-Over-Year



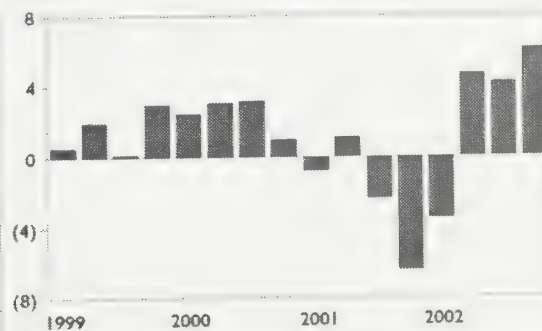
Net Exports (Chained \$ 1997)

\$ Billions



Change in Inventories (Chained \$ 1997)

\$ Billions



LIST OF TABLES

INCOME AND EXPENDITURE DATA

Quarterly Data, 1999:1–2002:4

Table 1: Ontario Gross Domestic Product (Income-Based)	16
Table 2: Ontario Gross Domestic Product (Expenditure-Based)	18
Table 3: Ontario Gross Domestic Product at Chained 1997 Prices	20
Table 4: Sources and Disposition of Ontario Personal Income	22
Table 5: Ontario Trade	24
Table 6: Ontario Deflators	26

Annual Data, 1999–2002

Table 7: Ontario Gross Domestic Product (Income-Based)	28
Table 8: Ontario Gross Domestic Product (Expenditure-Based)	29
Table 9: Ontario Gross Domestic Product at Chained 1997 Prices	30
Table 10: Sources and Disposition of Ontario Personal Income	31
Table 11: Ontario Trade	32
Table 12: Ontario Deflators	33

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

Table 13: Quarterly Data, 1999:1–2002:4	34
Table 14: Annual Data, 1999–2002	38

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED**TABLE 1***Seasonally adjusted at annual rates, millions of dollars*

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Wages, salaries and supplementary labour income (domestic basis)	208,335 2.2	213,087 2.3	216,383 1.5	220,336 1.8	226,802 2.9	233,165 2.8	236,520 1.4	239,062 1.1
2. Corporation profits before taxes	47,481 7.7	48,109 1.3	50,835 5.7	50,567 -0.5	50,029 -1.1	49,700 -0.7	49,435 -0.5	48,600 -1.7
3. Interest and miscellaneous investment income	17,771 -5.0	17,180 -3.3	17,412 1.4	17,364 -0.3	17,989 3.6	17,778 -1.2	18,021 1.4	17,332 -3.8
4. Accrued net income of farm operators from farm production	110 150.2	230 108.3	263 14.4	321 22.3	332 3.2	299 -10.0	221 -26.1	221 0.0
5. Net income of non-farm unincorporated business including rent	24,726 2.7	25,441 2.9	26,250 3.2	26,815 2.2	26,742 -0.3	27,042 1.1	27,363 1.2	27,654 1.1
6. Inventory valuation adjustment	-407	-32	-1,998	-1,847	-1,821	-1,065	137	-2,671
7. Net Domestic Income at factor cost	298,017 3.2	304,014 2.0	309,145 1.7	313,556 1.4	320,072 2.1	326,917 2.1	331,696 1.5	330,198 -0.5
8. Indirect taxes less subsidies	52,393 1.2	54,209 3.5	55,899 3.1	56,931 1.8	56,242 -1.2	56,503 0.5	57,251 1.3	57,739 0.9
9. Capital consumption allowances and miscellaneous valuation adjustments	47,366 -0.1	48,270 1.9	48,525 0.5	48,070 -0.9	48,718 1.3	48,854 0.3	49,587 1.5	50,005 0.8
10. Gross Domestic Product at market prices	397,776 2.5	406,493 2.2	413,569 1.7	418,558 1.2	425,032 1.5	432,274 1.7	438,534 1.4	437,943 -0.1
	* 10.4	9.1	7.1	4.9	6.3	7.0	5.9	-0.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Wages, salaries and supplementary labour income (domestic basis)	242,326 1.4	244,075 0.7	244,585 0.2	245,246 0.3	249,612 1.8	253,084 1.4	256,352 1.3	259,766 1.3
2. Corporation profits before taxes	46,299 -4.7	46,012 -0.6	39,465 -14.2	35,191 -10.8	40,400 14.8	43,268 7.1	44,782 3.5	45,857 2.4
3. Interest and miscellaneous investment income	17,995 3.8	17,453 -3.0	16,814 -3.7	16,390 -2.5	16,574 1.1	16,907 2.0	17,127 1.3	17,092 -0.2
4. Accrued net income of farm operators from farm production	422 91.0	464 9.9	594 28.1	452 -23.9	408 -9.9	380 -6.8	379 -0.1	376 -1.0
5. Net income of non-farm unincorporated business including rent	27,540 -0.4	27,827 1.0	28,407 2.1	29,010 2.1	29,735 2.5	30,598 2.9	31,087 1.6	31,740 2.1
6. Inventory valuation adjustment	-807	172	546	449	-1,671	-166	-1,353	-1,408
7. Net Domestic Income at factor cost	333,774 1.1	336,003 0.7	330,413 -1.7	326,739 -1.1	335,057 2.5	344,070 2.7	348,374 1.3	353,424 1.4
8. Indirect taxes less subsidies	56,956 -1.4	58,201 2.2	60,366 3.7	60,956 1.0	62,751 2.9	64,006 2.0	65,123 1.7	66,126 1.5
9. Capital consumption allowances and miscellaneous valuation adjustments	51,513 3.0	52,041 1.0	53,628 3.1	54,819 2.2	55,871 1.9	56,346 0.9	57,555 2.1	57,900 0.6
10. Gross Domestic Product at market prices	442,243 1.0	446,242 0.9	444,407 -0.4	442,514 -0.4	453,679 2.5	464,423 2.4	471,052 1.4	477,449 1.4
	* 4.0	3.7	-1.6	-1.7	10.5	9.8	5.8	5.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted at annual rates, millions of dollars

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Personal expenditure on consumer goods and services:	216,730 2.0	221,834 2.4	227,786 2.7	229,257 0.6	232,760 1.5	236,024 1.4	242,331 2.7	244,117 0.7
2. Goods	96,423 3.0	99,457 3.1	102,707 3.3	102,993 0.3	104,851 1.8	106,111 1.2	109,261 3.0	109,590 0.3
3. Services	120,307 1.3	122,377 1.7	125,079 2.2	126,264 0.9	127,909 1.3	129,914 1.6	133,070 2.4	134,527 1.1
4. Government expenditure on goods and services:	74,417 2.2	75,334 1.2	76,336 1.3	77,815 1.9	78,474 0.8	80,420 2.5	81,868 1.8	81,898 0.0
5. Current expenditure	66,274 1.8	66,832 0.8	67,641 1.2	68,770 1.7	69,282 0.7	71,487 3.2	72,679 1.7	72,637 -0.1
6. Capital expenditure	8,142 6.0	8,502 4.4	8,696 2.3	9,044 4.0	9,193 1.6	8,934 -2.8	9,189 2.9	9,261 0.8
7. Business gross fixed capital formation:	63,079 1.2	66,547 5.5	65,336 -1.8	68,066 4.2	69,685 2.4	70,165 0.7	69,973 -0.3	68,752 -1.7
8. Residential construction	18,732 7.6	20,276 8.2	20,646 1.8	20,890 1.2	21,687 3.8	21,056 -2.9	22,116 5.0	22,466 1.6
9. Non-residential construction	11,075 3.5	11,359 2.6	11,656 2.6	12,063 3.5	12,173 0.9	11,832 -2.8	11,270 -4.7	10,981 -2.6
10. Machinery and equipment	33,272 -2.8	34,912 4.9	33,034 -5.4	35,114 6.3	35,825 2.0	37,278 4.1	36,588 -1.9	35,305 -3.5
11. Exports of goods and services	280,398 1.9	278,853 -0.6	299,485 7.4	307,130 2.6	310,988 1.3	311,451 0.1	317,562 2.0	319,019 0.5
12. DEDUCT: Imports of goods and services	236,856 -0.3	237,719 0.4	255,627 7.5	264,481 3.5	268,383 1.5	269,866 0.6	277,476 2.8	278,000 0.2
13. Value of physical change in inventories:	-1,832	1,437	1,144	1,978	1,589	2,627	2,343	305
14. Non-farm	-1,721	1,379	1,361	2,153	1,914	2,769	2,605	337
15. Farm and grain in commercial channels	-111	59	-217	-174	-325	-142	-262	-32
16. Statistical discrepancy	1,841	208	-892	-1,207	-82	1,453	1,932	1,852
17. Gross Domestic Product at market prices	397,776 2.5 10.4	406,493 2.2 9.1	413,569 1.7 7.1	418,558 1.2 4.9	425,032 1.5 6.3	432,274 1.7 7.0	438,534 1.4 5.9	437,943 -0.1 -0.5
18. Final domestic demand	354,226 1.9	363,715 2.7	369,459 1.6	375,138 1.5	380,919 1.5	386,610 1.5	394,173 2.0	394,767 0.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 2***Seasonally adjusted at annual rates, millions of dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	245,873 0.7	249,301 1.4	249,466 0.1	251,469 0.8	254,925 1.4	258,852 1.5	263,085 1.6	267,860 1.8
2. Goods	110,213 0.6	112,338 1.9	111,318 -0.9	113,108 1.6	115,483 2.1	116,112 0.5	118,318 1.9	120,921 2.2
3. Services	135,661 0.8	136,963 1.0	138,148 0.9	138,362 0.2	139,442 0.8	142,740 2.4	144,767 1.4	146,939 1.5
4. Government expenditure on goods and services:	82,739 1.0	83,973 1.5	85,447 1.8	86,420 1.1	86,387 -0.0	87,367 1.1	88,638 1.5	90,253 1.8
5. Current expenditure	72,956 0.4	73,877 1.3	75,120 1.7	75,431 0.4	75,167 -0.3	76,069 1.2	77,233 1.5	78,808 2.0
6. Capital expenditure	9,783 5.6	10,096 3.2	10,327 2.3	10,989 6.4	11,220 2.1	11,298 0.7	11,406 0.9	11,445 0.3
7. Business gross fixed capital formation:	69,283 0.8	70,070 1.1	70,672 0.9	70,455 -0.3	73,237 3.9	74,445 1.6	75,466 1.4	76,134 0.9
8. Residential construction	22,546 0.4	22,516 -0.1	22,969 2.0	24,249 5.6	26,156 7.9	26,572 1.6	27,512 3.5	27,932 1.5
9. Non-residential construction	11,435 4.1	11,817 3.3	11,862 0.4	11,722 -1.2	11,476 -2.1	11,434 -0.4	11,457 0.2	11,508 0.4
10. Machinery and equipment	35,301 -0.0	35,738 1.2	35,840 0.3	34,485 -3.8	35,605 3.3	36,438 2.3	36,497 0.2	36,694 0.5
11. Exports of goods and services	312,638 -2.0	310,542 -0.7	306,218 -1.4	300,347 -1.9	310,741 3.5	314,062 1.1	323,731 3.1	320,345 -1.0
12. DEDUCT: Imports of goods and services	269,375 -3.1	268,814 -0.2	264,242 -1.7	256,205 -3.0	264,658 3.3	274,873 3.9	282,542 2.8	283,706 0.4
13. Value of physical change in inventories:	-1,670	-447	-2,648	-8,071	-5,685	3,678	3,412	6,068
14. Non-farm	-1,604	-241	-2,468	-7,872	-5,312	3,874	3,810	6,472
15. Farm and grain in commercial channels	-67	-206	-179	-200	-373	-196	-398	-404
16. Statistical discrepancy	2,755	1,617	-507	-1,901	-1,269	891	-739	497
17. Gross Domestic Product at market prices	442,243 1.0 4.0	446,242 0.9 3.7	444,407 -0.4 -1.6	442,514 -0.4 -1.7	453,679 2.5 10.5	464,423 2.4 9.8	471,052 1.4 5.8	477,449 1.4 5.5
18. Final domestic demand	397,895 0.8	403,344 1.4	405,585 0.6	408,344 0.7	414,549 1.5	420,665 1.5	427,190 1.6	434,246 1.7

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 3***Seasonally adjusted at annual rates, millions of chained (1997) dollars*

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Personal expenditure on consumer goods and services:	212,151 2.0	215,183 1.4	219,912 2.2	220,903 0.5	222,845 0.9	225,351 1.1	228,979 1.6	229,337 0.2
2. Goods	95,305 2.9	96,944 1.7	99,739 2.9	100,057 0.3	100,893 0.8	101,984 1.1	104,070 2.0	103,269 -0.8
3. Services	116,875 1.2	118,282 1.2	120,230 1.6	120,921 0.6	122,035 0.9	123,457 1.2	125,000 1.3	126,180 0.9
4. Government expenditure on goods and services:	73,369 2.5	74,119 1.0	74,844 1.0	76,712 2.5	77,288 0.8	75,978 -1.7	76,916 1.2	78,259 1.7
5. Current expenditure	65,101 2.2	65,515 0.6	66,135 0.9	67,738 2.4	68,273 0.8	67,149 -1.6	67,880 1.1	69,254 2.0
6. Capital expenditure	8,234 5.6	8,595 4.4	8,720 1.5	9,006 3.3	9,037 0.3	8,833 -2.3	9,032 2.3	8,984 -0.5
7. Business gross fixed capital formation:	61,800 0.2	65,627 6.2	64,500 -1.7	67,745 5.0	68,599 1.3	68,764 0.2	68,211 -0.8	66,182 -3.0
8. Residential construction	18,249 6.9	19,290 5.7	19,507 1.1	19,732 1.2	20,168 2.2	19,763 -2.0	20,432 3.4	20,512 0.4
9. Non-residential construction	10,719 2.4	10,911 1.8	11,202 2.7	11,609 3.6	11,481 -1.1	10,899 -5.1	10,336 -5.2	9,895 -4.3
10. Machinery and equipment	32,874 -3.8	35,417 7.7	33,785 -4.6	36,337 7.6	36,943 1.7	38,147 3.3	37,537 -1.6	35,921 -4.3
11. Exports of goods and services	276,111 2.6	278,448 0.8	297,375 6.8	302,324 1.7	303,950 0.5	303,367 -0.2	310,573 2.4	307,173 -1.1
12. DEDUCT: Imports of goods and services	229,556 -1.0	234,496 2.2	247,474 5.5	253,442 2.4	256,730 1.3	255,282 -0.6	262,717 2.9	254,594 -3.1
13. Value of physical change in inventories:	544	1,947	174	2,946	2,448	3,026	3,138	1,003
14. Non-farm	811	1,503	442	2,936	2,637	3,190	3,506	867
15. Farm and grain in commercial channels	-272	441	-270	10	-194	-174	-381	118
16. Statistical discrepancy	-1,810	889	522	351	1,369	674	1,539	1,494
17. Gross Domestic Product at market prices	392,173 2.7 11.3	401,515 2.4 9.9	409,890 2.1 8.6	417,830 1.9 8.0	419,848 0.5 1.9	421,778 0.5 1.9	426,310 1.1 4.4	428,448 0.5 2.0
* 18. Final domestic demand	347,258 1.8	354,917 2.2	359,217 1.2	365,376 1.7	368,737 0.9	370,067 0.4	374,066 1.1	373,738 -0.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 3***Seasonally adjusted at annual rates. millions of chained (1997) dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	229,864 0.2	231,407 0.7	231,639 0.1	234,083 1.1	236,224 0.9	238,332 0.9	239,828 0.6	243,256 1.4
2. Goods	103,270 0.0	104,155 0.9	103,831 -0.3	106,597 2.7	108,409 1.7	107,867 -0.5	108,191 0.3	110,355 2.0
3. Services	126,731 0.4	127,396 0.5	127,958 0.4	127,623 -0.3	127,924 0.2	130,594 2.1	131,757 0.9	133,021 1.0
4. Government expenditure on goods and services:	78,633 0.5	80,032 1.8	80,829 1.0	81,566 0.9	80,955 -0.7	81,523 0.7	82,039 0.6	82,983 1.2
5. Current expenditure	69,058 -0.3	70,167 1.6	70,719 0.8	70,816 0.1	70,119 -1.0	70,748 0.9	71,162 0.6	72,144 1.4
6. Capital expenditure	9,543 6.2	9,862 3.3	10,134 2.8	10,761 6.2	10,846 0.8	10,944 0.9	10,938 -0.0	10,969 0.3
7. Business gross fixed capital formation:	66,546 0.5	66,825 0.4	67,892 1.6	67,697 -0.3	68,838 1.7	70,398 2.3	71,236 1.2	71,341 0.1
8. Residential construction	20,590 0.4	20,291 -1.5	20,554 1.3	21,349 3.9	22,599 5.9	22,867 1.2	23,488 2.7	23,610 0.5
9. Non-residential construction	10,298 4.1	10,623 3.2	10,652 0.3	10,544 -1.0	10,250 -2.8	10,183 -0.7	10,153 -0.3	10,177 0.2
10. Machinery and equipment	35,746 -0.5	35,917 0.5	36,602 1.9	35,711 -2.4	35,902 0.5	37,260 3.8	37,508 0.7	37,466 -0.1
11. Exports of goods and services	297,866 -3.0	297,045 -0.3	295,858 -0.4	293,403 -0.8	299,958 2.2	302,706 0.9	310,350 2.5	305,454 -1.6
12. DEDUCT: Imports of goods and services	245,934 -3.4	246,049 0.0	244,667 -0.6	238,242 -2.6	242,608 1.8	253,596 4.5	258,500 1.9	258,915 0.2
13. Value of physical change in inventories:	-753	1,102	-2,362	-6,455	-3,503	4,649	4,184	6,108
14. Non-farm	-726	1,218	-2,245	-6,408	-3,377	4,875	4,712	6,400
15. Farm and grain in commercial channels	-46	-134	-135	-65	-144	-244	-546	-310
16. Statistical discrepancy	391	820	405	284	404	330	71	386
17. Gross Domestic Product at market prices	427,313 -0.3 -1.1	431,760 1.0 4.2	430,163 -0.4 -1.5	432,768 0.6 2.4	440,795 1.9 7.6	444,991 1.0 3.9	449,683 1.1 4.3	451,157 0.3 1.3
18. Final domestic demand	375,011 0.3	378,242 0.9	380,386 0.6	383,337 0.8	385,992 0.7	390,404 1.1	393,136 0.7	397,683 1.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted at annual rates, millions of dollars

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Wages, salaries and supplementary labour income (national basis)	206,046 2.4	210,875 2.3	214,127 1.5	218,069 1.8	223,921 2.7	230,102 2.8	233,234 1.4	235,711 1.1
2. Net income of farm operators from farm production	110 150.2	230 108.3	263 14.4	321 22.3	332 3.2	299 -10.0	221 -26.1	221 0.0
3. Net income of non-farm unincorporated business including rent	24,726 2.7	25,441 2.9	26,250 3.2	26,815 2.2	26,742 -0.3	27,042 1.1	27,363 1.2	27,654 1.1
4. Interest, dividends and miscellaneous investment income	44,245 -0.8	44,397 0.3	44,849 1.0	44,958 0.2	46,109 2.6	46,676 1.2	47,072 0.8	48,979 4.1
5. Current transfers from government, corporations and non-residents	39,343 -1.3	39,429 0.2	39,733 0.8	39,972 0.6	42,683 6.8	40,783 -4.5	40,923 0.3	40,887 -0.1
6. Equals: Personal income	314,469 1.5	320,370 1.9	325,222 1.5	330,135 1.5	339,786 2.9	344,902 1.5	348,814 1.1	353,451 1.3
7. Deduct: Personal direct taxes	55,913 2.2	56,334 0.8	57,329 1.8	58,208 1.5	59,435 2.1	60,308 1.5	60,609 0.5	58,288 -3.8
8. Other current transfers to government	20,070 2.8	20,411 1.7	20,739 1.6	21,205 2.2	22,375 5.5	22,852 2.1	23,284 1.9	23,609 1.4
9. Equals: Personal disposable income	238,486 1.2	243,625 2.2	247,154 1.4	250,723 1.4	257,977 2.9	261,742 1.5	264,921 1.2	271,554 2.5
10. Deduct: Personal expenditure on consumer goods and services	216,730 2.0	221,834 2.4	227,786 2.7	229,257 0.6	232,760 1.5	236,024 1.4	242,331 2.7	244,117 0.7
11. Current transfers to corporations	3,830 5.2	3,904 1.9	4,225 8.2	4,330 2.5	4,348 0.4	4,634 6.6	4,852 4.7	5,102 5.1
12. Current transfers to non-residents	551 -0.2	563 2.2	583 3.5	599 2.7	574 -4.1	586 2.1	596 1.5	604 1.4
13. Equals: Personal saving	17,376 -8.2	17,323 -0.3	14,560 -16.0	16,537 13.6	20,295 22.7	20,497 1.0	17,141 -16.4	21,732 26.8
14. Personal savings rate	7.3	7.1	5.9	6.6	7.9	7.8	6.5	8.0

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Wages, salaries and supplementary labour income (national basis)	239,157 1.5	240,846 0.7	241,344 0.2	241,844 0.2	246,149 1.8	249,573 1.4	252,796 1.3	256,163 1.3
2. Net income of farm operators from farm production	422 91.0	464 9.9	594 28.1	452 -23.9	408 -9.9	380 -6.8	379 -0.1	376 -1.0
3. Net income of non-farm unincorporated business including rent	27,540 -0.4	27,827 1.0	28,407 2.1	29,010 2.1	29,735 2.5	30,598 2.9	31,087 1.6	31,740 2.1
4. Interest, dividends and miscellaneous investment income	47,770 -2.5	47,229 -1.1	46,670 -1.2	45,359 -2.8	44,089 -2.8	43,604 -1.1	43,094 -1.2	42,447 -1.5
5. Current transfers from government, corporations and non-residents	44,397 8.6	42,943 -3.3	43,589 1.5	43,843 0.6	44,876 2.4	44,446 -1.0	44,624 0.4	45,524 2.0
6. Equals: Personal income	359,286 1.7	359,309 0.0	360,604 0.4	360,509 -0.0	365,257 1.3	368,601 0.9	371,980 0.9	376,250 1.1
7. Deduct: Personal direct taxes	61,211 5.0	61,790 0.9	62,970 1.9	62,677 -0.5	61,424 -2.0	60,871 -0.9	60,993 0.2	62,335 2.2
8. Other current transfers to government	24,432 3.5	24,671 1.0	25,082 1.7	25,359 1.1	25,842 1.9	26,168 1.3	26,781 2.3	27,370 2.2
9. Equals: Personal disposable income	273,644 0.8	272,848 -0.3	272,552 -0.1	272,472 -0.0	277,991 2.0	281,562 1.3	284,207 0.9	286,545 0.8
10. Deduct: Personal expenditure on consumer goods and services	245,873 0.7	249,301 1.4	249,466 0.1	251,469 0.8	254,925 1.4	258,852 1.5	263,085 1.6	267,860 1.8
11. Current transfers to corporations	5,363 5.1	5,479 2.2	5,544 1.2	5,670 2.3	5,332 -6.0	5,234 -1.8	5,311 1.5	5,334 0.4
12. Current transfers to non-residents	628 4.1	688 9.5	716 4.0	723 1.1	675 -6.7	725 7.5	727 0.2	739 1.7
13. Equals: Personal saving	21,779 0.2	17,380 -20.2	16,826 -3.2	14,609 -13.2	17,059 16.8	16,750 -1.8	15,083 -9.9	11,836 -21.5
14. Personal savings rate	8.0	6.4	6.2	5.4	6.1	5.9	5.3	4.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 5***Seasonally adjusted at annual rates, millions of dollars*

	<u>1999 I</u>	<u>1999 II</u>	<u>1999 III</u>	<u>1999 IV</u>	<u>2000 I</u>	<u>2000 II</u>	<u>2000 III</u>	<u>2000 IV</u>
1. Exports of Goods and Services	280,398 1.9	278,853 -0.6	299,485 7.4	307,130 2.6	310,988 1.3	311,451 0.1	317,562 2.0	319,019 0.5
2. Of Which: International	210,149 2.2	206,823 -1.6	220,051 6.4	225,826 2.6	231,902 2.7	234,079 0.9	236,422 1.0	241,678 2.2
3. Of Which: Interprovincial	70,249 0.9	72,030 2.5	79,435 10.3	81,303 2.4	79,086 -2.7	77,372 -2.2	81,140 4.9	77,342 -4.7
4. Imports of Goods and Services	236,856 -0.3	237,719 0.4	255,627 7.5	264,481 3.5	268,383 1.5	269,866 0.6	277,476 2.8	278,000 0.2
5. Trade Balance	43,542	41,133	43,858	42,648	42,605	41,585	40,086	41,020

*Notes: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO TRADE**TABLE 5***Seasonally adjusted at annual rates, millions of dollars*

	<u>2001 I</u>	<u>2001 II</u>	<u>2001 III</u>	<u>2001 IV</u>	<u>2002 I</u>	<u>2002 II</u>	<u>2002 III</u>	<u>2002 IV</u>
1. Exports of Goods and Services	312,638 -2.0	310,542 -0.7	306,218 -1.4	300,347 -1.9	310,741 3.5	314,062 1.1	323,731 3.1	320,345 -1.0
2. Of Which: International	233,123 -3.5	229,115 -1.7	222,252 -3.0	216,547 -2.6	224,678 3.8	226,364 0.8	234,393 3.5	229,541 -2.1
3. Of Which: Interprovincial	79,514 2.8	81,427 2.4	83,966 3.1	83,801 -0.2	86,063 2.7	87,698 1.9	89,338 1.9	90,803 1.6
4. Imports of Goods and Services	269,375 -3.1	268,814 -0.2	264,242 -1.7	256,205 -3.0	264,658 3.3	274,873 3.9	282,542 2.8	283,706 0.4
5. Trade Balance	43,263	41,728	41,976	44,142	46,084	39,189	41,189	36,638

*Notes: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

1997 = 100

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Personal expenditure on consumer goods and services:	102.2 0.1	103.1 0.9	103.6 0.5	103.8 0.2	104.4 0.6	104.7 0.3	105.8 1.0	106.4 0.6
2. Goods	101.2 0.1	102.6 1.4	103.0 0.4	102.9 -0.0	103.9 1.0	104.0 0.1	105.0 0.9	106.1 1.1
3. Services	102.9 0.1	103.5 0.5	104.0 0.6	104.4 0.4	104.8 0.4	105.2 0.4	106.5 1.2	106.6 0.2
4. Government expenditure on goods and services:	101.4 -0.3	101.6 0.2	102.0 0.3	101.4 -0.5	101.5 0.1	105.8 4.2	106.4 0.6	104.6 -1.7
5. Current expenditure	101.8 -0.4	102.0 0.2	102.3 0.3	101.5 -0.7	101.5 -0.0	106.5 4.9	107.1 0.6	104.9 -2.0
6. Capital expenditure	98.9 0.4	98.9 0.0	99.7 0.8	100.4 0.7	101.7 1.3	101.1 -0.6	101.7 0.6	103.1 1.3
7. Business gross fixed capital formation:	102.1 1.0	101.4 -0.7	101.3 -0.1	100.5 -0.8	101.6 1.1	102.0 0.4	102.6 0.5	103.9 1.3
8. Residential construction	102.7 0.7	105.1 2.4	105.8 0.7	105.9 0.0	107.5 1.6	106.5 -0.9	108.2 1.6	109.5 1.2
9. Non-residential construction	103.3 1.0	104.1 0.8	104.1 -0.0	103.9 -0.1	106.0 2.0	108.6 2.4	109.0 0.4	111.0 1.8
10. Machinery and equipment	101.2 1.0	98.6 -2.6	97.8 -0.8	96.6 -1.2	97.0 0.4	97.7 0.8	97.5 -0.3	98.3 0.8
11. Exports of goods and services	101.6 -0.7	100.1 -1.4	100.7 0.6	101.6 0.9	102.3 0.7	102.7 0.3	102.3 -0.4	103.9 1.6
12. DEDUCT: Imports of goods and services	103.2 0.7	101.4 -1.7	103.3 1.9	104.4 1.0	104.5 0.2	105.7 1.1	105.6 -0.1	109.2 3.4
13. Gross Domestic Product at market prices	101.4 -0.2 -0.8	101.2 -0.2 -0.7	100.9 -0.3 -1.3	100.2 -0.7 -2.8	101.2 1.1 4.3	102.5 1.2 5.0	102.9 0.4 1.5	102.2 -0.6 -2.5
14. Final domestic demand	102.0 0.2	102.5 0.5	102.9 0.4	102.7 -0.2	103.3 0.6	104.5 1.1	105.4 0.9	105.6 0.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

1997 = 100

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	107.0 0.5	107.7 0.7	107.7 -0.0	107.4 -0.2	107.9 0.5	108.6 0.6	109.7 1.0	110.1 0.4
2. Goods	106.7 0.6	107.9 1.1	107.2 -0.6	106.1 -1.0	106.5 0.4	107.6 1.0	109.4 1.6	109.6 0.2
3. Services	107.0 0.4	107.5 0.4	108.0 0.4	108.4 0.4	109.0 0.5	109.3 0.3	109.9 0.5	110.5 0.5
4. Government expenditure on goods and services:	105.2 0.5	104.9 -0.3	105.7 0.8	106.0 0.2	106.7 0.7	107.2 0.4	108.0 0.8	108.8 0.7
5. Current expenditure	105.6 0.7	105.3 -0.3	106.2 0.9	106.5 0.3	107.2 0.6	107.5 0.3	108.5 0.9	109.2 0.7
6. Capital expenditure	102.5 -0.5	102.4 -0.1	101.9 -0.5	102.1 0.2	103.5 1.3	103.2 -0.2	104.3 1.0	104.3 0.1
7. Business gross fixed capital formation:	104.1 0.3	104.9 0.7	104.1 -0.7	104.1 -0.0	106.4 2.2	105.7 -0.6	105.9 0.2	106.7 0.7
8. Residential construction	109.5 -0.0	111.0 1.3	111.8 0.7	113.6 1.6	115.7 1.9	116.2 0.4	117.1 0.8	118.3 1.0
9. Non-residential construction	111.0 0.1	111.2 0.2	111.4 0.1	111.2 -0.2	112.0 0.7	112.3 0.3	112.9 0.5	113.1 0.2
10. Machinery and equipment	98.8 0.5	99.5 0.8	97.9 -1.6	96.6 -1.4	99.2 2.7	97.8 -1.4	97.3 -0.5	97.9 0.7
11. Exports of goods and services	105.0 1.1	104.5 -0.4	103.5 -1.0	102.4 -1.1	103.6 1.2	103.8 0.2	104.3 0.5	104.9 0.5
12. DEDUCT: Imports of goods and services	109.5 0.3	109.3 -0.3	108.0 -1.1	107.5 -0.4	109.1 1.4	108.4 -0.6	109.3 0.8	109.6 0.3
13. Gross Domestic Product at market prices	103.5 1.3 5.1	103.4 -0.1 -0.5	103.3 -0.0 -0.2	102.3 -1.0 -4.0	102.9 0.7 2.7	104.4 1.4 5.7	104.8 0.4 1.5	105.8 1.0 4.2
14. Final domestic demand	106.1 0.4	106.6 0.5	106.6 -0.0	106.5 -0.1	107.4 0.8	107.8 0.3	108.7 0.8	109.2 0.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED**TABLE 7***Millions of dollars*

	1999	2000	2001	2002
1. Wages, salaries and supplementary labour income (domestic basis)	214,535 7.3	233,887 9.0	244,058 4.3	254,704 4.4
2. Corporation profits before taxes	49,248 24.7	49,441 0.4	41,742 -15.6	43,577 4.4
3. Interest and miscellaneous investment income	17,432 1.8	17,780 2.0	17,163 -3.5	16,925 -1.4
4. Accrued net income of farm operators from farm production	231 -1.7	268 16.0	483 80.2	386 -20.2
5. Net income of non-farm unincorporated business including rent	25,808 7.3	27,200 5.4	28,196 3.7	30,790 9.2
6. Inventory valuation adjustment	-1,071	-1,355	90	-1,150
7. Net Domestic Income at factor cost	306,183 9.3	327,221 6.9	331,732 1.4	345,231 4.1
8. Indirect taxes less subsidies	54,858 6.7	56,934 3.8	59,120 3.8	64,501 9.1
9. Capital consumption allowances and miscellaneous valuation adjustments	48,058 4.0	49,291 2.6	53,000 7.5	56,918 7.4
10. Gross Domestic Product at market prices	409,099 8.3	433,446 6.0	443,852 2.4	466,651 5.1

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 8***Millions of dollars*

	1999	2000	2001	2002
1. Personal expenditure on consumer goods and services:	223,902 6.7	238,808 6.7	249,027 4.3	261,181 4.9
2. <i>Goods</i>	100,395 8.1	107,453 7.0	111,744 4.0	117,709 5.3
3. <i>Services</i>	123,507 5.6	131,355 6.4	137,283 4.5	143,472 4.5
4. Government expenditure on goods and services:	75,975 4.0	80,665 6.2	84,645 4.9	88,161 4.2
5. <i>Current expenditure</i>	67,379 2.6	71,521 6.1	74,346 3.9	76,819 3.3
6. <i>Capital expenditure</i>	8,596 16.5	9,144 6.4	10,299 12.6	11,342 10.1
7. Business gross fixed capital formation:	65,757 10.6	69,644 5.9	70,120 0.7	74,820 6.7
8. <i>Residential construction</i>	20,136 16.9	21,831 8.4	23,070 5.7	27,043 17.2
9. <i>Non-residential construction</i>	11,538 11.2	11,564 0.2	11,709 1.3	11,469 -2.1
10. <i>Machinery and equipment</i>	34,083 7.0	36,249 6.4	35,341 -2.5	36,309 2.7
11. Exports of goods and services	291,466 10.5	314,755 8.0	307,436 -2.3	317,220 3.2
12. DEDUCT: Imports of goods and services	248,671 8.4	273,431 10.0	264,659 -3.2	276,445 4.5
13. Value of physical change in inventories:	682	1,716	-3,209	1,868
14. <i>Non-farm</i>	793	1,906	-3,046	2,211
15. <i>Farm and grain in commercial channels</i>	-111	-190	-163	-343
16. Statistical discrepancy	-13	1,289	491	-155
17. Gross Domestic Product at market prices	409,099 8.3	433,446 6.0	443,852 2.4	466,651 5.1
18. Final domestic demand	365,634 6.8	389,117 6.4	403,792 3.8	424,162 5.0

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 9***Millions of chained (1997) dollars*

	1999	2000	2001	2002
1. Personal expenditure on consumer goods and services:	217,037 4.8	226,628 4.4	231,748 2.3	239,410 3.3
2. Goods	98,011 6.1	102,554 4.6	104,463 1.9	108,706 4.1
3. Services	119,077 3.8	124,168 4.3	127,427 2.6	130,824 2.7
4. Government expenditure on goods and services:	74,761 3.9	77,110 3.1	80,265 4.1	81,875 2.0
5. Current expenditure	66,122 2.3	68,139 3.1	70,190 3.0	71,043 1.2
6. Capital expenditure	8,639 17.5	8,972 3.9	10,075 12.3	10,924 8.4
7. Business gross fixed capital formation:	64,918 11.4	67,939 4.7	67,240 -1.0	70,453 4.8
8. Residential construction	19,195 13.9	20,219 5.3	20,696 2.4	23,141 11.8
9. Non-residential construction	11,110 9.2	10,653 -4.1	10,529 -1.2	10,191 -3.2
10. Machinery and equipment	34,603 10.7	37,137 7.3	35,994 -3.1	37,034 2.9
11. Exports of goods and services	288,565 10.8	306,266 6.1	296,043 -3.3	304,617 2.9
12. DEDUCT: Imports of goods and services	241,242 8.0	257,331 6.7	243,723 -5.3	253,405 4.0
13. Value of physical change in inventories:	1,403	2,404	-2,117	2,860
14. Non-farm	1,423	2,550	-2,040	3,153
15. Farm and grain in commercial channels	-23	-158	-95	-311
16. Statistical discrepancy	-12	1,269	475	298
17. Gross Domestic Product at market prices	405,352 7.6	424,096 4.6	430,501 1.5	446,656 3.8
18. Final domestic demand	356,692 5.7	371,652 4.2	379,244 2.0	391,804 3.3

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 10

Millions of dollars

	1999	2000	2001	2002
1. Wages, salaries and supplementary labour income (national basis)	212,279 7.6	230,742 8.7	240,798 4.4	251,170 4.3
2. Net income of farm operators from farm production	231 -1.7	268 16.0	483 80.2	386 -20.2
3. Net income of non-farm unincorporated business including rent	25,808 7.3	27,200 5.4	28,196 3.7	30,790 9.2
4. Interest, dividends and miscellaneous investment income	44,612 2.7	47,209 5.8	46,757 -1.0	43,309 -7.4
5. Current transfers from government, corporations and non-residents	39,619 0.1	41,319 4.3	43,693 5.7	44,868 2.7
6. Equals: Personal income	322,549 5.9	346,738 7.5	359,927 3.8	370,522 2.9
7. Deduct: Personal direct taxes	56,946 6.2	59,660 4.8	62,162 4.2	61,406 -1.2
8. Other current transfers to government	20,606 5.4	23,030 11.8	24,886 8.1	26,540 6.6
9. Equals: Personal disposable income	244,997 5.8	264,048 7.8	272,879 3.3	282,576 3.6
10. Deduct: Personal expenditure on consumer goods and services	223,902 6.7	238,808 6.7	249,027 4.3	261,181 4.9
11. Current transfers to corporations	4,072 15.5	4,734 16.3	5,514 16.5	5,303 -3.8
12. Current transfers to non-residents	574 5.3	590 2.8	689 16.8	717 4.0
13. Equals: Personal saving	16,449 -6.1	19,916 21.1	17,649 -11.4	15,182 -14.0
14. Personal savings rate	6.7	7.5	6.5	5.4

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE*Millions of dollars***TABLE 11**

	1999	2000	2001	2002
1. Exports of Goods and Services	291,466 10.5	314,755 8.0	307,436 -2.3	317,220 3.2
2. Of Which: International	215,712 11.5	236,020 9.4	225,259 -4.6	228,744 1.5
3. Of Which: Interprovincial	75,754 8.0	78,735 3.9	82,177 4.4	88,476 7.7
4. Imports of Goods and Services	248,671 8.4	273,431 10.0	264,659 -3.2	276,445 4.5
5. Trade Balance	42,795	41,324	42,777	40,775

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 12

1997 = 100

	1999	2000	2001	2002
1. Personal expenditure on consumer goods and services:	103.2 1.8	105.4 2.1	107.5 2.0	109.1 1.5
2. Goods	102.4 1.8	104.8 2.3	107.0 2.1	108.3 1.2
3. Services	103.7 1.7	105.8 2.0	107.7 1.8	109.7 1.8
4. Government expenditure on goods and services:	101.6 0.1	104.6 2.9	105.5 0.8	107.7 2.1
5. Current expenditure	101.9 0.3	105.0 3.0	105.9 0.9	108.1 2.1
6. Capital expenditure	99.5 -0.9	101.9 2.4	102.2 0.3	103.8 1.6
7. Business gross fixed capital formation:	101.3 -0.7	102.5 1.2	104.3 1.8	106.2 1.8
8. Residential construction	104.9 2.5	108.0 3.0	111.5 3.2	116.8 4.8
9. Non-residential construction	103.8 1.8	108.6 4.6	111.2 2.4	112.5 1.2
10. Machinery and equipment	98.5 -3.3	97.6 -0.9	98.2 0.6	98.1 -0.1
11. Exports of goods and services	101.0 -0.3	102.8 1.8	103.8 1.0	104.1 0.3
12. DEDUCT: Imports of goods and services	103.1 0.3	106.3 3.1	108.6 2.2	109.1 0.5
13. Gross Domestic Product at market prices	100.9 0.6	102.2 1.3	103.1 0.9	104.5 1.3
14. Final domestic demand	102.5 1.0	104.7 2.1	106.5 1.7	108.3 1.7

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted at annual rates, millions of dollars*

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Goods Producing Industries	114,904 1.9	116,802 1.7	119,338 2.2	119,662 0.3	121,385 1.4	122,558 1.0	123,040 0.4	122,057 -0.8
2. Primary	7,716 4.2	7,741 0.3	7,769 0.4	7,820 0.7	7,688 -1.7	7,772 1.1	7,593 -2.3	7,475 -1.6
3. Agriculture, Forestry, Fishing & Hunting	4,798 2.7	4,838 0.8	4,898 1.2	4,804 -1.9	4,732 -1.5	4,861 2.7	4,744 -2.4	4,710 -0.7
4. Mining	2,918 6.8	2,903 -0.5	2,871 -1.1	3,016 5.0	2,955 -2.0	2,911 -1.5	2,849 -2.1	2,765 -3.0
5. Utilities	9,734 1.4	9,707 -0.3	9,978 2.8	10,012 0.3	10,055 0.4	10,289 2.3	10,245 -0.4	10,458 2.1
6. Electric Power	7,731 2.3	7,859 1.7	8,149 3.7	8,287 1.7	8,226 -0.7	8,341 1.4	8,286 -0.7	8,444 1.9
7. Natural Gas, Water and Other	2,004 -1.6	1,848 -7.8	1,829 -1.0	1,725 -5.7	1,829 6.0	1,948 6.5	1,959 0.6	2,014 2.8
8. Construction	16,994 5.8	17,572 3.4	17,924 2.0	18,241 1.8	18,637 2.2	18,402 -1.3	18,437 0.2	18,464 0.1
9. Residential Buildings	6,373 10.2	6,749 5.9	6,943 2.9	7,029 1.2	7,305 3.9	7,091 -2.9	7,259 2.4	7,278 0.3
10. Non-Residential Buildings and Engineering	10,621 3.4	10,823 1.9	10,980 1.5	11,212 2.1	11,333 1.1	11,311 -0.2	11,178 -1.2	11,186 0.1
11. Manufacturing	80,459 1.0	81,781 1.6	83,668 2.3	83,588 -0.1	85,005 1.7	86,096 1.3	86,764 0.8	85,661 -1.3
12. Food, Beverage, & Tobacco Products	9,572 -1.9	9,384 -2.0	9,373 -0.1	9,383 0.1	9,432 0.5	9,598 1.8	9,632 0.4	9,947 3.3
13. Textile, Clothing, & Leather Products	1,935 -2.9	1,804 -6.8	1,708 -5.3	1,731 1.3	1,727 -0.2	1,758 1.8	1,716 -2.4	1,722 0.4
14. Wood Products and Furniture	3,864 -1.5	3,875 0.3	3,993 3.1	3,882 -2.8	4,042 4.1	4,440 9.8	4,551 2.5	4,553 0.0
15. Paper Products and Printing	5,508 0.7	5,508 0.0	5,600 1.7	5,711 2.0	5,535 -3.1	5,626 1.6	5,575 -0.9	5,602 0.5
16. Chemical and Petroleum Products	7,213 0.3	7,320 1.5	7,467 2.0	7,557 1.2	7,287 -3.6	7,269 -0.2	7,483 2.9	7,642 2.1
17. Plastic and Rubber Products	4,779 1.2	5,032 5.3	5,050 0.4	5,205 3.1	5,316 2.1	5,035 -5.3	5,257 4.4	5,230 -0.5
18. Primary Metal & Fabricated Metal Products	10,830 4.5	11,154 3.0	11,252 0.9	11,647 3.5	11,891 2.1	11,749 -1.2	11,552 -1.7	11,268 -2.5
19. Machinery	5,535 -5.6	5,572 0.7	5,518 -1.0	5,383 -2.5	5,610 4.2	5,802 3.4	5,428 -6.4	5,091 -6.2

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted at annual rates, millions of dollars

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
20. Electrical and Electronic Products	8,033 5.6	8,538 6.3	9,382 9.9	9,569 2.0	10,281 7.4	11,585 12.7	12,613 8.9	12,918 2.4
21. Transportation Equipment	19,743 2.6	20,184 2.2	20,957 3.8	20,323 -3.0	20,728 2.0	20,140 -2.8	19,715 -2.1	18,499 -6.2
22. Auto Industry (Vehicles & Parts)	17,218 3.4	17,531 1.8	18,465 5.3	18,157 -1.7	18,499 1.9	17,923 -3.1	17,794 -0.7	16,676 -6.3
23. Other Transportation Equipment	2,526 -2.9	2,653 5.0	2,493 -6.0	2,167 -13.1	2,229 2.9	2,217 -0.5	1,921 -13.4	1,823 -5.1
24. Non-metallic Mineral Products & Other Manufacturing	3,447 -2.2	3,411 -1.1	3,367 -1.3	3,199 -5.0	3,156 -1.4	3,093 -2.0	3,243 4.9	3,189 -1.7
25. Services Producing Industries	249,101 2.1	253,815 1.9	258,702 1.9	262,741 1.6	263,944 0.5	267,558 1.4	271,851 1.6	274,218 0.9
26. Wholesale Trade	23,418 4.0	24,064 2.8	24,731 2.8	25,481 3.0	25,245 -0.9	25,991 3.0	26,365 1.4	26,442 0.3
27. Retail Trade	19,200 2.9	19,473 1.4	20,210 3.8	20,193 -0.1	20,514 1.6	20,915 2.0	21,451 2.6	21,412 -0.2
28. Transportation and Warehousing	14,574 -0.9	15,059 3.3	15,671 4.1	16,061 2.5	15,773 -1.8	15,995 1.4	16,350 2.2	16,020 -2.0
29. Information & Culture (including Telecommunications)	13,778 7.3	14,348 4.1	15,144 5.6	15,594 3.0	15,946 2.3	16,394 2.8	16,946 3.4	17,563 3.6
30. Finance, Insurance, Real Estate, Rental & Leasing	77,193 1.7	78,223 1.3	79,676 1.9	80,400 0.9	81,530 1.4	81,900 0.5	82,801 1.1	83,571 0.9
31. Professional and Administrative Services	25,593 3.3	26,329 2.9	26,860 2.0	27,722 3.2	28,117 1.4	28,810 2.5	29,644 2.9	30,315 2.3
32. Education	17,257 -0.0	17,441 1.1	17,603 0.9	17,711 0.6	17,259 -2.6	17,440 1.0	17,522 0.5	17,500 -0.1
33. Health Care and Social Services	20,235 1.6	20,561 1.6	20,695 0.7	20,978 1.4	20,921 -0.3	21,008 0.4	21,149 0.7	21,228 0.4
34. Arts, Entertainment & Recreation	3,197 1.3	3,340 4.5	3,417 2.3	3,540 3.6	3,544 0.1	3,496 -1.4	3,627 3.7	3,726 2.7
35. Accommodation and Food	7,974 4.3	8,110 1.7	8,116 0.1	8,117 0.0	8,026 -1.1	8,230 2.5	8,427 2.4	8,466 0.5
36. Other Services	8,119 1.3	8,184 0.8	8,176 -0.1	8,257 1.0	8,253 -0.0	8,275 0.3	8,341 0.8	8,487 1.8
37. Public Administration	18,562 0.3	18,683 0.7	18,403 -1.5	18,688 1.5	18,816 0.7	19,105 1.5	19,229 0.6	19,486 1.3
38. Total Production	364,005 2.1 8.5	370,616 1.8 7.5	378,040 2.0 8.3	382,402 1.2 4.7	385,329 0.8 3.1	390,116 1.2 5.1	394,892 1.2 5.0	396,275 0.4 1.4

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted at annual rates, millions of dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Goods Producing Industries	119,242 -2.3	119,649 0.3	116,785 -2.4	116,400 -0.3	120,253 3.3	121,005 0.6	121,560 0.5	121,354 -0.2
2. Primary	7,396 -1.1	7,316 -1.1	7,142 -2.4	7,123 -0.3	6,938 -2.6	6,967 0.4	6,886 -1.2	6,885 -0.0
3. Agriculture, Forestry, Fishing & Hunting	4,533 -3.8	4,413 -2.6	4,174 -5.4	4,034 -3.4	3,958 -1.9	4,035 1.9	4,007 -0.7	3,973 -0.8
4. Mining	2,864 3.6	2,903 1.4	2,968 2.2	3,088 4.1	2,980 -3.5	2,933 -1.6	2,879 -1.8	2,912 1.1
5. Utilities	10,162 -2.8	10,375 2.1	10,027 -3.4	10,186 1.6	10,237 0.5	10,406 1.6	10,115 -2.8	10,292 1.8
6. Electric Power	8,213 -2.7	8,455 3.0	8,180 -3.3	8,326 1.8	8,373 0.6	8,350 -0.3	8,114 -2.8	8,152 0.5
7. Natural Gas, Water and Other	1,949 -3.2	1,920 -1.5	1,847 -3.8	1,860 0.7	1,865 0.3	2,056 10.3	2,001 -2.7	2,140 6.9
8. Construction	18,988 2.8	19,216 1.2	19,674 2.4	20,080 2.1	20,516 2.2	19,906 -3.0	20,108 1.0	20,406 1.5
9. Residential Buildings	7,445 2.3	7,240 -2.8	7,296 0.8	7,439 2.0	7,915 6.4	7,712 -2.6	8,022 4.0	7,893 -1.6
10. Non-Residential Buildings and Engineering	11,543 3.2	11,977 3.8	12,378 3.4	12,641 2.1	12,601 -0.3	12,194 -3.2	12,086 -0.9	12,513 3.5
11. Manufacturing	82,696 -3.5	82,741 0.1	79,942 -3.4	79,011 -1.2	82,562 4.5	83,725 1.4	84,452 0.9	83,771 -0.8
12. Food, Beverage, & Tobacco Products	10,187 2.4	10,265 0.8	10,252 -0.1	10,309 0.6	10,346 0.4	10,216 -1.3	10,157 -0.6	10,015 -1.4
13. Textile, Clothing, & Leather Products	1,651 -4.1	1,632 -1.1	1,558 -4.5	1,551 -0.5	1,677 8.1	1,653 -1.4	1,640 -0.8	1,658 1.1
14. Wood Products and Furniture	4,457 -2.1	4,302 -3.5	4,078 -5.2	4,031 -1.2	4,278 6.1	4,297 0.4	4,487 4.4	4,466 -0.5
15. Paper Products and Printing	5,531 -1.3	5,336 -3.5	5,410 1.4	5,397 -0.2	5,508 2.1	5,627 2.2	5,549 -1.4	5,414 -2.4
16. Chemical and Petroleum Products	7,446 -2.6	7,620 2.3	7,316 -4.0	7,409 1.3	7,777 5.0	8,025 3.2	8,240 2.7	8,445 2.5
17. Plastic and Rubber Products	5,412 3.5	5,391 -0.4	5,291 -1.9	5,340 0.9	5,750 7.7	5,830 1.4	5,791 -0.7	5,826 0.6
18. Primary Metal & Fabricated Metal Products	11,021 -2.2	11,296 2.5	11,384 0.8	11,484 0.9	12,076 5.2	12,362 2.4	12,255 -0.9	12,134 -1.0
19. Machinery	5,065 -0.5	5,075 0.2	4,983 -1.8	4,946 -0.7	5,105 3.2	5,277 3.4	5,310 0.6	5,693 7.2

*Notes: Ontario Production is measured as Gross Domestic Product at basic prices.**Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
20. Electrical and Electronic Products	11,014 -14.7	10,197 -7.4	8,704 -14.6	7,654 -12.1	8,320 8.7	8,289 -0.4	7,830 -5.5	7,571 -3.3
21. Transportation Equipment	17,702 -4.3	18,520 4.6	18,091 -2.3	17,956 -0.7	18,757 4.5	19,227 2.5	20,155 4.8	19,488 -3.3
22. Auto Industry (Vehicles & Parts)	15,741 -5.6	16,568 5.3	16,278 -1.7	16,126 -0.9	16,830 4.4	17,508 4.0	18,432 5.3	17,953 -2.6
23. Other Transportation Equipment	1,961 7.6	1,952 -0.4	1,813 -7.1	1,830 0.9	1,927 5.3	1,719 -10.8	1,723 0.2	1,535 -10.9
24. Non-metallic Mineral Products & Other Manufacturing	3,208 0.6	3,107 -3.1	2,875 -7.5	2,934 2.1	2,969 1.2	2,923 -1.6	3,036 3.9	3,062 0.9
25. Services Producing Industries	275,805 0.6	278,226 0.9	278,871 0.2	280,907 0.7	285,133 1.5	289,967 1.7	293,283 1.1	294,921 0.6
26. Wholesale Trade	26,149 -1.1	26,582 1.7	26,486 -0.4	26,099 -1.5	27,137 4.0	28,232 4.0	28,503 1.0	29,325 2.9
27. Retail Trade	21,517 0.5	21,523 0.0	21,336 -0.9	22,058 3.4	22,744 3.1	22,613 -0.6	22,740 0.6	23,172 1.9
28. Transportation and Warehousing	15,948 -0.4	15,707 -1.5	15,586 -0.8	15,560 -0.2	15,768 1.3	15,986 1.4	16,006 0.1	15,903 -0.6
29. Information & Culture (including Telecommunications)	17,766 1.2	18,229 2.6	18,577 1.9	19,145 3.1	19,615 2.5	20,021 2.1	20,263 1.2	20,368 0.5
30. Finance, Insurance, Real Estate, Rental & Leasing	84,317 0.9	85,126 1.0	85,771 0.8	86,741 1.1	88,161 1.6	90,342 2.5	90,675 0.4	90,311 -0.4
31. Professional and Administrative Services	30,669 1.2	31,153 1.6	31,177 0.1	31,107 -0.2	31,564 1.5	32,207 2.0	32,849 2.0	33,191 1.0
32. Education	17,503 0.0	17,463 -0.2	17,524 0.4	17,465 -0.3	17,431 -0.2	17,654 1.3	17,728 0.4	17,761 0.2
33. Health Care and Social Services	21,287 0.3	21,537 1.2	21,868 1.5	22,154 1.3	22,361 0.9	22,546 0.8	22,625 0.4	22,725 0.4
34. Arts, Entertainment & Recreation	3,721 -0.1	3,642 -2.1	3,597 -1.2	3,591 -0.2	3,556 -1.0	3,769 6.0	3,681 -2.3	3,717 1.0
35. Accommodation and Food	8,680 2.5	8,659 -0.2	8,291 -4.2	8,340 0.6	8,407 0.8	8,478 0.8	8,546 0.8	8,583 0.4
36. Other Services	8,583 1.1	8,661 0.9	8,609 -0.6	8,496 -1.3	8,542 0.5	8,615 0.9	8,796 2.1	8,830 0.4
37. Public Administration	19,665 0.9	19,944 1.4	20,048 0.5	20,151 0.5	19,847 -1.5	19,504 -1.7	20,870 7.0	21,035 0.8
38. Total Production	395,047 -0.3 -1.2	397,875 0.7 2.9	395,656 -0.6 -2.2	397,307 0.4 1.7	405,386 2.0 8.4	410,972 1.4 5.6	414,843 0.9 3.8	416,275 0.3 1.4

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.
Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of dollars

	1999	2000	2001	2002
1. Goods Producing Industries	117,676 7.6	122,260 3.9	118,019 -3.5	121,043 2.6
2. Primary	7,762 7.9	7,632 -1.7	7,244 -5.1	6,919 -4.5
3. Agriculture, Forestry, Fishing & Hunting	4,835 8.7	4,762 -1.5	4,289 -9.9	3,993 -6.9
4. Mining	2,927 6.5	2,870 -1.9	2,956 3.0	2,926 -1.0
5. Utilities	9,858 1.4	10,262 4.1	10,187 -0.7	10,263 0.7
6. Electric Power	8,006 1.5	8,324 4.0	8,294 -0.4	8,247 -0.6
7. Natural Gas, Water and Other	1,851 1.1	1,938 4.7	1,894 -2.3	2,015 6.4
8. Construction	17,683 13.3	18,485 4.5	19,490 5.4	20,234 3.8
9. Residential Buildings	6,774 16.0	7,233 6.8	7,355 1.7	7,885 7.2
10. Non-Residential Buildings and Engineering	10,909 11.7	11,252 3.1	12,135 7.8	12,348 1.8
11. Manufacturing	82,374 7.2	85,881 4.3	81,098 -5.6	83,628 3.1
12. Food, Beverage, & Tobacco Products	9,428 -1.6	9,652 2.4	10,253 6.2	10,184 -0.7
13. Textile, Clothing, & Leather Products	1,794 -8.8	1,731 -3.6	1,598 -7.7	1,657 3.7
14. Wood Products and Furniture	3,904 0.2	4,397 12.6	4,217 -4.1	4,382 3.9
15. Paper Products and Printing	5,582 0.4	5,585 0.1	5,419 -3.0	5,525 2.0
16. Chemical and Petroleum Products	7,389 4.2	7,420 0.4	7,448 0.4	8,122 9.0
17. Plastic and Rubber Products	5,016 10.3	5,210 3.9	5,358 2.9	5,799 8.2
18. Primary Metal & Fabricated Metal Products	11,221 5.2	11,615 3.5	11,296 -2.7	12,207 8.1
19. Machinery	5,502 -3.7	5,483 -0.4	5,017 -8.5	5,346 6.5

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of dollars

	1999	2000	2001	2002
20. Electrical and Electronic Products	8,880 22.8	11,849 33.4	9,393 -20.7	8,002 -14.8
21. Transportation Equipment	20,302 17.5	19,770 -2.6	18,067 -8.6	19,407 7.4
22. Auto Industry (Vehicles & Parts)	17,843 20.4	17,723 -0.7	16,178 -8.7	17,681 9.3
23. Other Transportation Equipment	2,459 0.4	2,047 -16.7	1,889 -7.7	1,726 -8.6
24. Non-metallic Mineral Products & Other Manufacturing	3,356 0.6	3,170 -5.5	3,031 -4.4	2,998 -1.1
25. Services Producing Industries	256,089 7.6	269,393 5.2	278,452 3.4	290,826 4.4
26. Wholesale Trade	24,424 12.1	26,011 6.5	26,329 1.2	28,299 7.5
27. Retail Trade	19,769 8.6	21,073 6.6	21,609 2.5	22,817 5.6
28. Transportation and Warehousing	15,341 7.1	16,035 4.5	15,700 -2.1	15,916 1.4
29. Information & Culture (including Telecommunications)	14,716 21.3	16,712 13.6	18,429 10.3	20,067 8.9
30. Finance, Insurance, Real Estate, Rental & Leasing	78,873 6.4	82,450 4.5	85,489 3.7	89,873 5.1
31. Professional and Administrative Services	26,626 13.1	29,222 9.7	31,027 6.2	32,453 4.6
32. Education	17,503 1.9	17,430 -0.4	17,489 0.3	17,643 0.9
33. Health Care and Social Services	20,617 3.7	21,076 2.2	21,712 3.0	22,564 3.9
34. Arts, Entertainment & Recreation	3,373 7.4	3,599 6.7	3,638 1.1	3,681 1.2
35. Accommodation and Food	8,079 6.7	8,287 2.6	8,492 2.5	8,504 0.1
36. Other Services	8,184 6.1	8,339 1.9	8,587 3.0	8,696 1.3
37. Public Administration	18,584 0.8	19,159 3.1	19,952 4.1	20,314 1.8
38. Total Production	373,766 7.6	391,653 4.8	396,471 1.2	411,869 3.9

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.
Per cent change from previous year is given on the second line.

ISSN 0828-3877

CA20N
TR17
-B75

Government
Publications

July 2003

**Ontario
Ministry
of Finance**

**First
Quarter
of 2003**
(January, February, March)

Ontario Economic Accounts

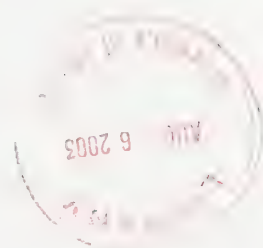
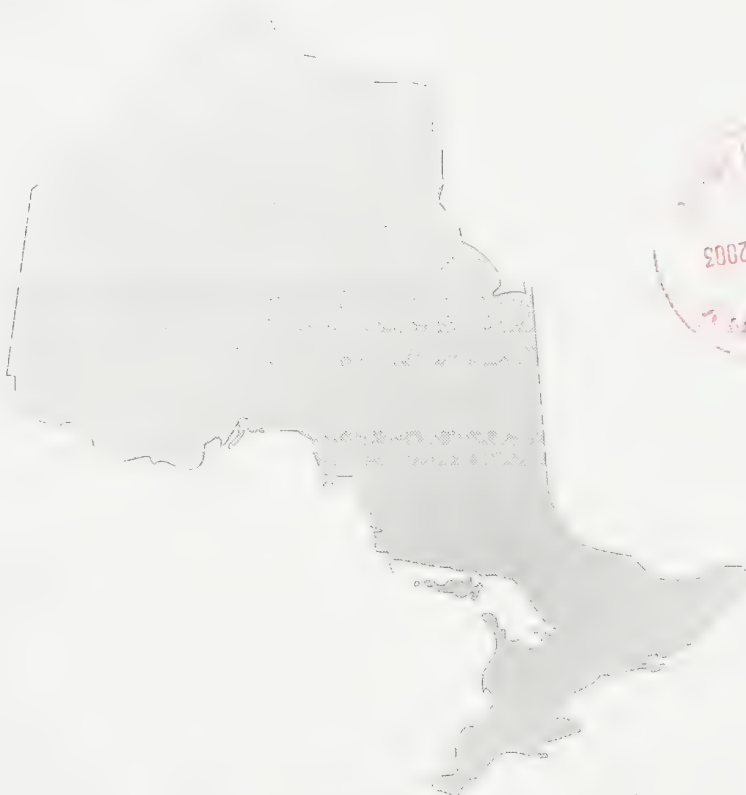


July 2003

First Quarter of 2003

(January, February, March)

Ontario Economic Accounts



Ontario Ministry of Finance

For further information on the Ontario Economic Accounts, please contact:

David West
(416) 325-0778
email - david.west@fin.gov.on.ca

Harvey Bradley
(416) 325-0773
email - harvey.bradley@fin.gov.on.ca

Jacques Marcil
(416) 325-0761
email - jacques.marcil@fin.gov.on.ca

Ministry of Finance
Macroeconomic Analysis & Policy Branch
Current Analysis Unit
95 Grosvenor St., 6th Fl. Frost Bldg. N.
Toronto, ON M7A 1Z1

This document is also available on the Internet at
<http://www.gov.on.ca/FIN/english/oecoeng.htm>

Ce document est disponible en français.

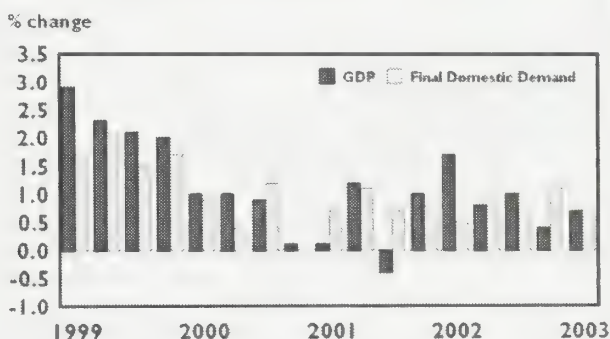
Table of Contents

Highlights	1
Demand and Incomes	3
Ontario Production By Industry	6
Ontario Economic Accounts: Summary 1999:1-2003:1	12
List of Tables	15

HIGHLIGHTS

- ❑ Ontario's **real Gross Domestic Product (GDP)** grew by 0.7% (2.9% annualized) in the first quarter of 2003, up from 0.4% (1.7% annualized) growth in the fourth quarter of 2002. Ontario's economy outperformed both the Canadian economy which advanced 2.4% and the U.S. economy which grew 1.4% at annualized rates in the first quarter.
- ❑ Economic growth in the first quarter was supported by solid growth in consumer spending, a continued build-up in business inventories and by public sector capital spending.
- ❑ **Real consumer spending** grew by 0.6% in the first quarter, decelerating from the stronger 1.5% pace in the final quarter of 2002. The deceleration in growth reflects slower new motor vehicle sales and reduced spending on restaurant and accommodation services in the first quarter.
- ❑ Businesses continued to rebuild **inventories**, accumulating \$6.7 billion in non-farm stocks in the first quarter of 2003, the fourth consecutive quarter of accumulation. Manufacturers, retailers and wholesalers all increased stocks with motor vehicle inventories contributing significantly.
- ❑ Business **plant and equipment investment** was flat in the first quarter, following a five-quarter slump which began at the end of 2001. A modest 0.3% gain in machinery and equipment investment was offset by a 0.4% decline in non-residential construction.
- ❑ **Residential construction** investment was essentially unchanged in the first quarter, falling 0.2%, the first decline in two and a half years.
- ❑ Ontario's **real exports** fell 0.6% in the first quarter, following a 1.5% decline in the fourth quarter of 2002. Continuing tepid U.S. economic growth was a key factor in the export decline. Ontario **real imports** also declined, dropping 0.8% in the first quarter following a 0.8% gain in the final quarter of 2002.

Ontario Real GDP Growth Remains Strong in First Quarter



- In current dollars, **nominal GDP** grew 1.8% (7.5% annualized) in the first quarter of 2003, improving from the 1.4% (5.7% annualized) pace in the fourth quarter of 2002. Prices as measured by the GDP implicit price index rose 1.1% in first quarter, up slightly from a 1.0% increase in the final quarter of 2002.
- **By industry**, gains in the first quarter were led by manufacturing (+0.9%), construction (+1.4%), and wholesale trade (+1.9%) while accommodation and food (-2.4%) and the financial sector (-0.2%) saw their output decline.

HISTORICAL REVISIONS

As part of the normal historical revisions process, the Ontario Economic Accounts (OEA) have been revised for the 1999-2002 period to reflect the recent Provincial Economic Accounts revisions for 2002 (released on April 28) and the National Income and Expenditure Accounts revisions for the years 1999 to 2002 (released on May 30). For further details please refer to the Statistics Canada report: "The 1999-2002 revisions of the National Economic and Financial Accounts", available through the *Daily* of May 30, 2003.

ONTARIO ECONOMIC ACCOUNTS: HIGHLIGHTS

(% change from previous period)

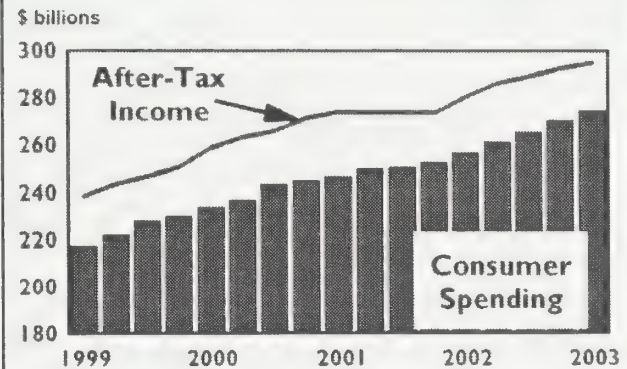
	2001	2002	2002:2	2002:3	2002:4	2003:1
Real GDP (Chained \$ 1997)	1.8	3.8	0.8	1.0	0.4	0.7
(annualized rate on second line)			3.4	3.9	1.7	2.9
Personal spending	2.4	3.6	1.1	0.7	1.5	0.6
Government spending	4.3	4.3	1.8	1.0	1.0	1.1
Residential construction	7.4	8.9	0.6	1.9	0.6	-0.2
Non-residential construction	0.4	-2.8	0.2	-0.5	-0.1	-0.4
Machinery & equipment	-0.3	-6.4	-2.2	-1.9	-1.5	0.3
Exports	-2.2	2.7	1.0	2.3	-1.5	-0.6
Imports	-4.2	2.8	4.2	1.6	0.8	-0.8
Business inventories (Chained \$1997 billions)	-1.6	2.1	3.3	2.8	5.2	6.7
Nominal GDP (\$ Current)	2.7	5.7	2.5	1.7	1.4	1.8
Corporation profits	-12.5	18.8	12.2	11.3	5.2	3.3
Personal income	3.9	3.5	1.0	1.0	1.1	0.8
Disposable income	3.4	4.9	2.1	1.0	1.2	0.8
Implicit price index, GDP	0.9	1.8	1.7	0.7	1.0	1.1

DEMAND AND INCOMES

CONSUMER SPENDING GROWTH CONTINUES

Real consumer spending rose 0.6% in the first quarter of 2003, extending the string of continuous growth in personal spending in Ontario to four and a half years. Consumer spending on goods grew by 0.8%, as households increased purchases of clothing, footwear, energy and food consumed at home. Increased demand for these goods reflected the relatively cold winter conditions during the quarter. Moderating the growth in goods consumption was a 5.0% drop in first quarter new motor vehicle sales. Spending on services rose 0.4% with notable gains in communication spending and auto repairs. These were partially offset by declines in restaurant and accommodation services as cold weather and the uncertainty caused by the Iraq conflict slowed consumer spending in this category.

Spending Rises as Incomes Grow

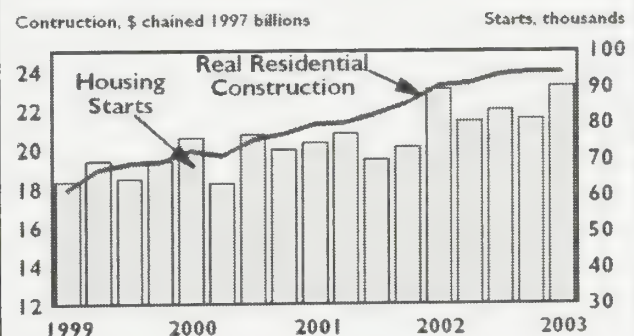


Personal disposable income rose 0.8% in the first quarter, following a 1.2% gain in the fourth quarter of 2002. Labour income, the largest component of household income, increased 0.7% as total employment grew by 61,000 jobs (or 1.0%) in the first quarter. Ontario's **savings rate** edged lower to 5.0% in the first quarter, down from a 5.6% rate in the final quarter of 2002, as consumer spending outpaced the growth in disposable income.

HOUSING MARKET LEVELS OFF

Residential construction investment was virtually unchanged in the first quarter, falling 0.2%, the first decline in two and a half years. Even with the slight dip, activity remained near last quarter's 13-year peak. The first quarter slowing was due to a seasonally-adjusted decline in the value of expenditure on new construction, reflecting the lower housing starts over the previous three quarters. Offsetting the weaker spending on new construction were gains in renovation and resales. Strong growth in housing starts in the first quarter will boost new construction investment later in the year as work begun during the winter is completed.

Housing Investment



BUSINESS INVESTMENT UNCHANGED BUT PROFITS CONTINUE TO RECOVER

Business **plant and equipment investment** was flat in the first quarter, following a five-quarter slump which began in the final quarter of 2001. A modest 0.3% gain in machinery and equipment investment was offset by a 0.4% drop in non-residential construction.

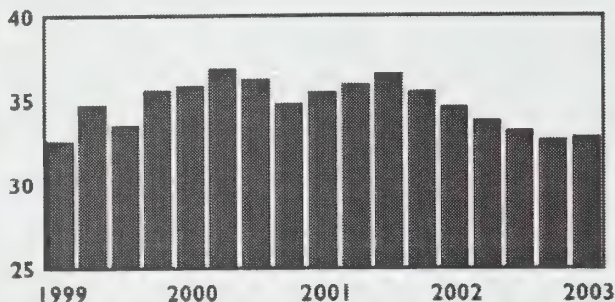
Ontario **pre-tax corporate profits** continued to grow in the first quarter, rising 3.3%, following their stellar 18.8% (annual rate) increase in 2002. The first quarter increase was driven by profit growth in the financial industry, as the chartered banks, in particular, posted good results. Wholesalers, retailers and manufacturers also recorded stronger profits in the first quarter. Partially offsetting these gains were weaker profits in the transportation and health care sectors.

INVENTORY LEVELS CONTINUE TO RISE

Ontario businesses continued their recent trend of rebuilding inventories in the first quarter, adding \$6.7 billion to real total business stocks, following a \$5.2 billion accumulation in the fourth quarter of 2002. As has been the case since early 2002, the stockpiling of motor vehicles at both the retail and wholesale levels dominated overall inventory accumulation.

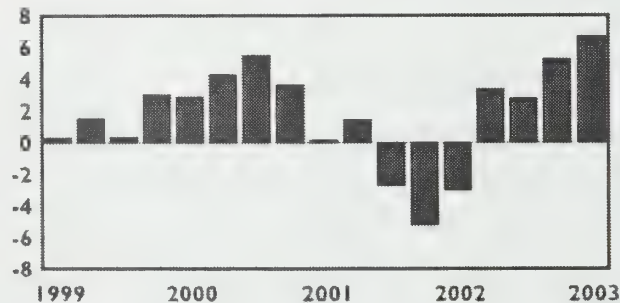
Machinery and Equipment Investment Flat in First Quarter

\$ Chained 1997 billions



Inventory Accumulation

\$ Chained 1997 billions



EXPORTS DROP IN FACE OF WEAK US DEMAND

Ontario **real exports**, (which include both international and interprovincial exports) fell 0.6% in the first quarter, following a 1.5% decline in the fourth quarter of 2002. Tepid U.S. economic growth of just 1.4% (annualized) over the past two quarters has restrained U.S. import demand. As a result, Ontario exports of industrial goods and machinery and equipment were particularly weak in the first quarter.

Offsetting some of the weakness in exports, was a modest 1.7% rebound in automotive exports, following a 7.9% decline in the fourth quarter.

However, U.S. demand for autos remained soft as

U.S. consumers continued to reduce their purchases of new motor vehicles during the first quarter.

Exports and Imports Weaken

\$ Chained 1997 Billions



Ontario **real imports** decreased 0.8% in the first quarter following a 0.8% gain in the final quarter of 2002. Declines were spread across most import categories with the biggest reductions occurring for industrial goods and materials and machinery and equipment. These declines were partially offset by increased imports of agricultural and automotive products.

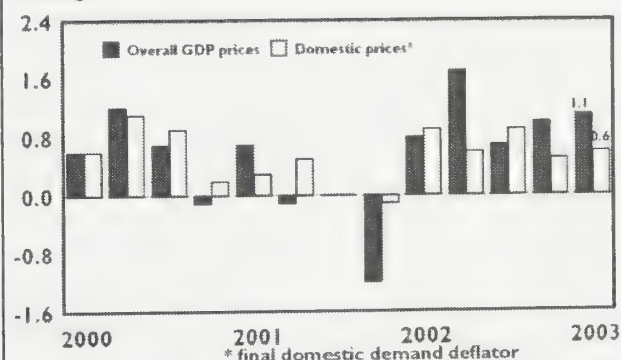
PRICES UP 1.1% IN FIRST QUARTER OF 2003

Average prices, as measured by the GDP implicit price index, rose 1.1% in the first quarter of 2003 following a 1.0% increase in the fourth quarter of 2002.

The most significant price increases occurred in non-residential construction (+2.0%), and housing (+1.9%). Higher energy prices were the major contributor to a 0.9% increase in the implicit price for personal expenditures. Machinery and equipment prices (-1.9%) declined in the first quarter, largely the result of an almost 4% appreciation in the U.S.-Canadian dollar exchange rate.

Prices Rise Modestly

% change



Export (-1.0%) and import (-2.3%) prices both fell in the first quarter, reflecting weaker prices for manufactured and semi-manufactured goods and the impact of the appreciation in the Canadian dollar.

ONTARIO PRODUCTION BY INDUSTRY

INDUSTRIAL PRODUCTION IN THE FIRST QUARTER OF 2003

Ontario's industrial output grew by a solid 0.7% in the first quarter (2.6% at annualized rates), following a gain of 0.5% in the fourth quarter of 2002. With the first quarter advance, Ontario industrial output has now increased for six consecutive quarters.

Most sectors of the economy grew in the first quarter. However, gains in goods producing industries (+1.2%) outpaced service sector growth (+0.4%). Among goods producing industries, there were important contributions from manufacturing (+0.9%) and construction (+1.4%). In services, significant gains in wholesale trade (+1.9%) and public administration (+1.5%) were offset by declines in accommodation and food services (-2.4%) and in the financial sector (-0.2%).

ONTARIO OUTPUT BY SECTOR

(% change from previous period, \$ 1997)

	2001	2002	2002:2	2002:3	2002:4	2003:1
Goods Sector	-3.5	3.8	1.4	0.9	0.1	1.2
Primary Industries	-5.1	3.0	4.0	2.9	3.8	3.1
Manufacturing	-5.6	3.4	1.5	0.9	-0.7	0.9
Of which: Auto Industry	-8.7	8.2	3.4	5.1	-2.8	1.0
Construction	5.4	6.6	-0.9	1.4	1.3	1.4
Utilities	-0.7	2.7	3.7	-1.8	1.4	2.0
Service Sector	3.4	3.8	1.3	1.0	0.6	0.4
Transportation and Warehousing	-2.1	0.4	0.9	-0.1	-0.7	0.3
Wholesale and Retail Trade	1.8	5.7	1.7	0.7	2.6	1.4
Finance, Insurance and Real Estate	3.7	3.7	1.7	0.0	-0.2	-0.2
Information and Cultural Industries	10.3	6.7	0.7	0.8	0.4	0.7
Public Administration	4.1	2.5	-2.0	7.1	1.0	1.5
Ontario Output at Basic Prices (\$1997)	1.2	3.8	1.3	1.0	0.5	0.7
(annualized rate on second line)			5.3	3.9	1.9	2.6

Notes:

- Real output by sector is measured as gross domestic product at basic prices using Laspeyres' price indices. A switch to the chain Fisher method of price deflation is scheduled for the fall of 2003.
- Ontario industrial production has been revised for the year 2002 to reflect revisions to Statistics Canada's estimates of provincial Gross Domestic Product.

MANUFACTURING REBOUNDS

Ontario's manufacturing sector output grew 0.9% in the first quarter of 2003, recovering completely from a 0.7% setback in the fourth quarter of 2002. The stronger manufacturing performance accounted for over one quarter of total industry GDP growth in the first quarter.

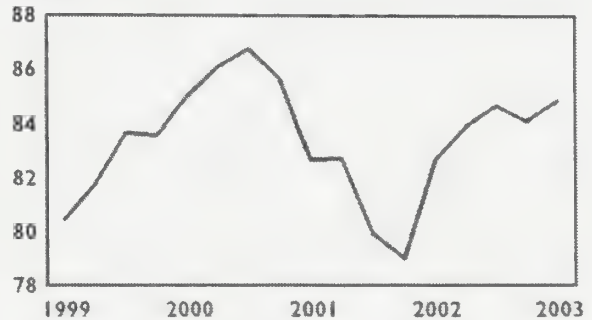
Overall, manufacturing sector growth was well balanced, led by primary metal and fabricated metal products (+1.9%), electrical and electronic products (+2.6%) and autos (+1.0%).

The auto industry, which represents 21% of Ontario's manufacturing output, contributed almost one-fourth of the first quarter manufacturing output increase. After a 2.8% drop in the previous quarter, auto output rebounded 1.0% in this quarter, with auto assembly rising 0.3% and parts manufacturing advancing 1.0%.

Output losses were recorded in textile, clothing and leather products (-4.0%), machinery (-3.9%), and chemical and petroleum products (-0.3%).

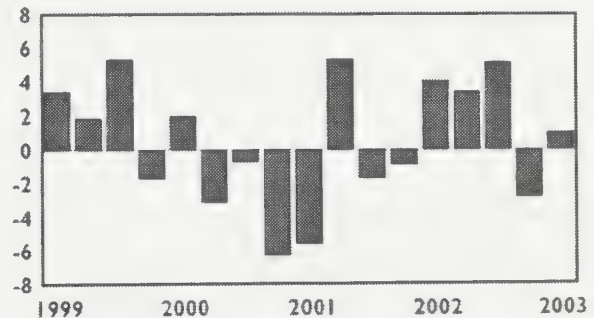
Total Manufacturing Output

\$ 1997 billions



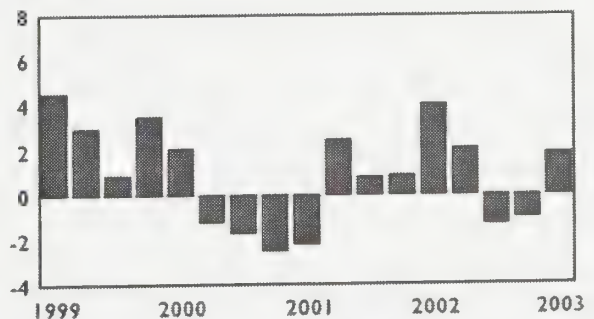
Auto Industry Output

% change



Primary Metal & Fabricated Metal Products Output

% change

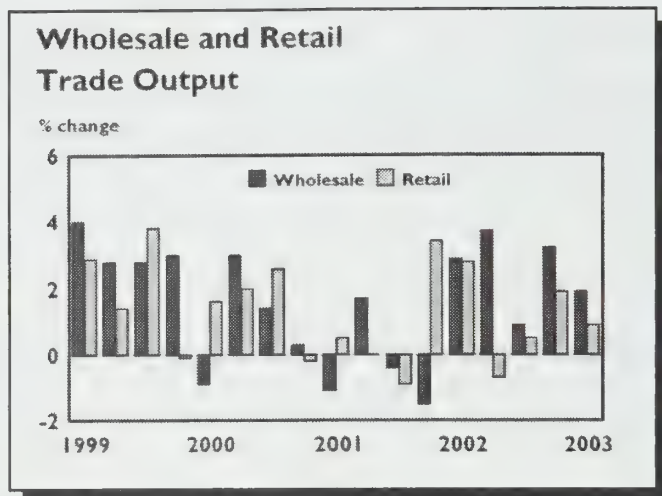


WHOLESALE AND RETAIL ACTIVITY REMAINS SOLID

Both wholesale and retail trade activity remained strong in the first quarter as real output increased by a solid 1.4%, following growth of 2.6% in the final quarter of 2002. The combined performance of these two sectors accounted for 27% of overall industry production growth in the quarter.

Wholesalers' output increased 1.9% in the first quarter following growth of 3.2% in the fourth quarter of 2002. A strong rebound in computer and packaged software sales after almost two years of decline, along with healthy advances in food and beverage products supported output growth by the sector in the first quarter.

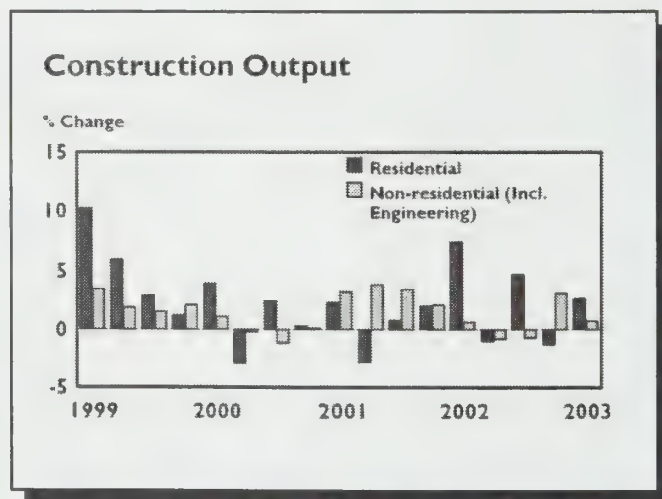
Retailing rose 0.9% in the first quarter, after growing 1.9% in the fourth quarter. Contributing to the overall advance was a surge in gas station retail sales (the result of a sharp first quarter gasoline price increase) together with brisk supermarket and grocery store sales. These gains more than offset declines in motor vehicle sales in the first quarter.



CONSTRUCTION GAINS CONTINUE

Construction activity rose 1.4% in the first quarter, following similar growth in the second half of 2002. Construction growth accounted for almost 11% of the overall advance in industrial output in the quarter.

Continued momentum in new homebuilding propelled residential construction output which advanced 2.6% in the first quarter. Non-residential construction grew by 0.7%, largely as a result of increased public sector investment related to hospital, university and college infrastructure expansion.



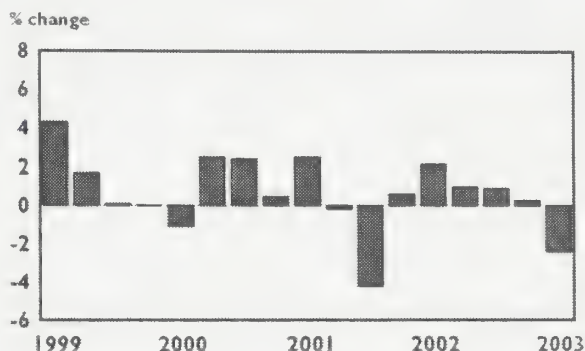
HOTEL AND RESTAURANT OUTPUT SLIPS

Hit by cold weather, increased border security and weak economic conditions in the U.S., the accommodation and food services sector declined 2.4% in the first quarter, the largest decline for the sector since the fall of 2001.

Restaurant receipts fell 3.6% from the previous quarter while hotel occupancy rates were three percentage points below their usual levels.

The SARS outbreak, which began at the end of March, dealt a further blow to the sector as the quarter ended.

Accommodation and Food Services

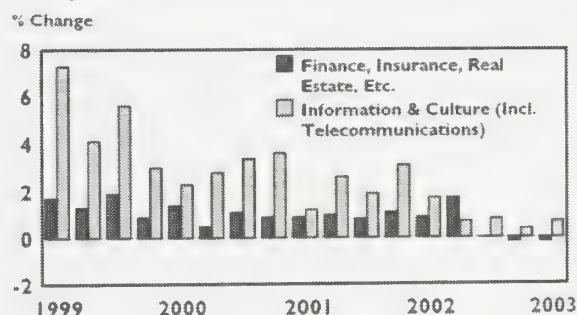


FINANCE AND COMMUNICATIONS

Production by the finance, insurance and real estate industry fell 0.2% in the first quarter following a similar loss at the end of 2002. Weak financial industry performance in the first quarter offset gains in real estate. This sector has reduced employment by 15,000 jobs over the past two quarters.

Output of the information and cultural sector (which includes telecommunications) advanced 0.7% in the first quarter, extending the uninterrupted string of growth which began in the middle of 1998.

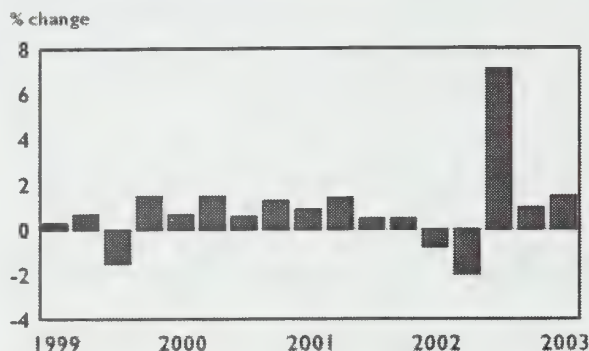
Finance and Communications Output



GROWTH IN PUBLIC ADMINISTRATION

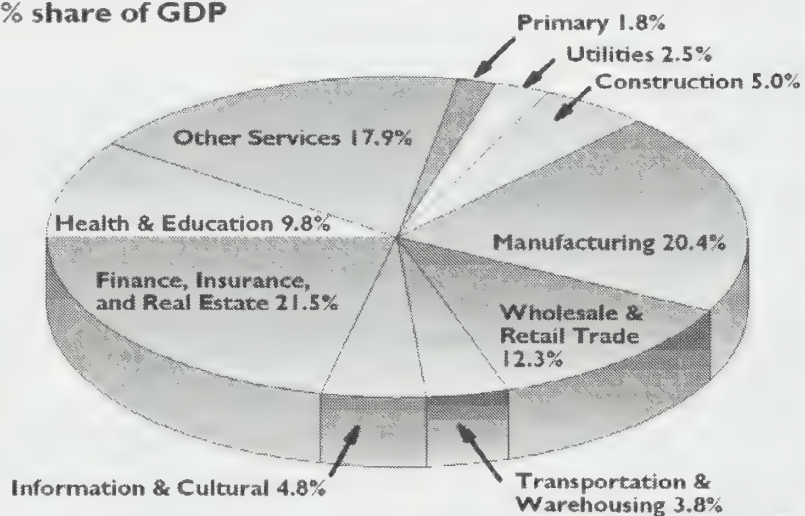
Output by the public administration sector rose 1.5% in the first quarter. For the most part, public administration output has been growing steadily for the last five years.

Public Administration Output



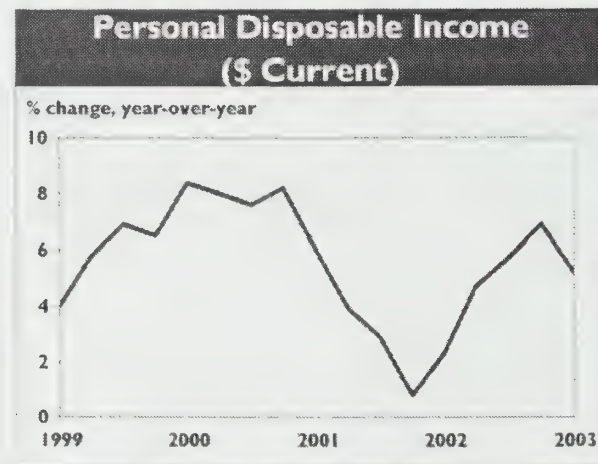
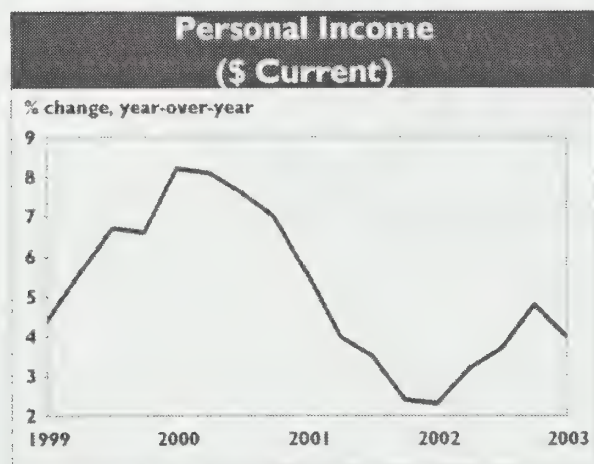
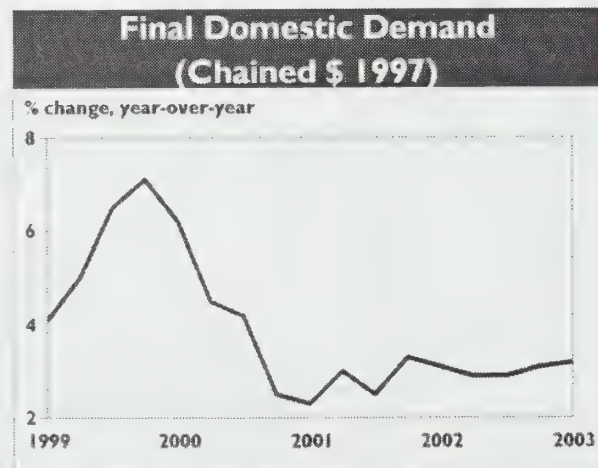
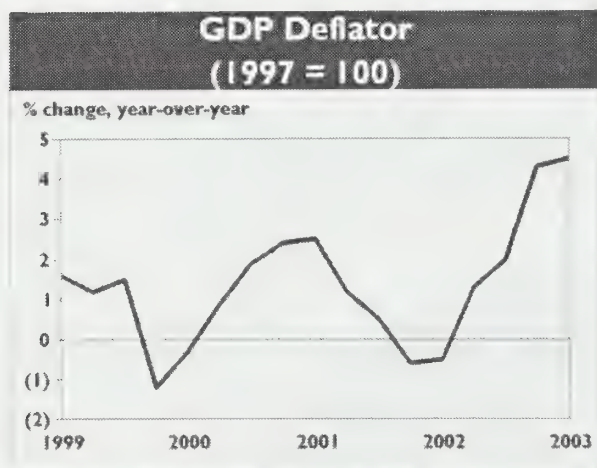
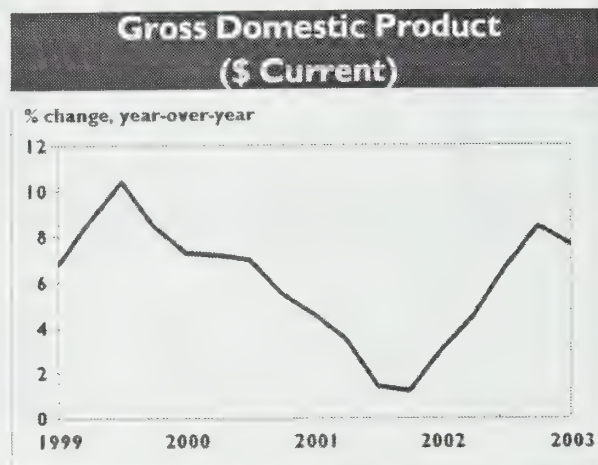
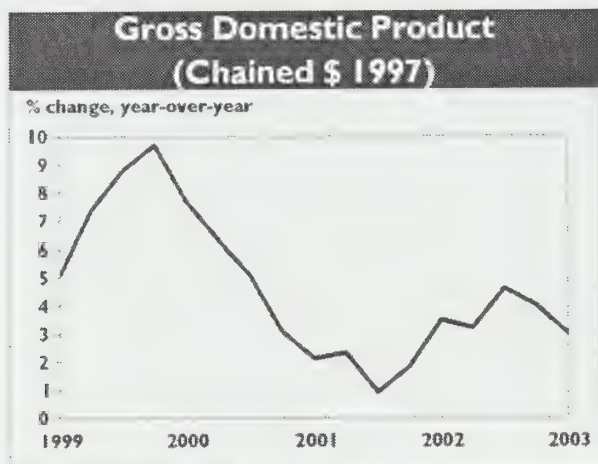
Structure of the Ontario Economy, 2002

% share of GDP



ONTARIO ECONOMIC ACCOUNTS: SUMMARY

(1999:1 - 2003:1)

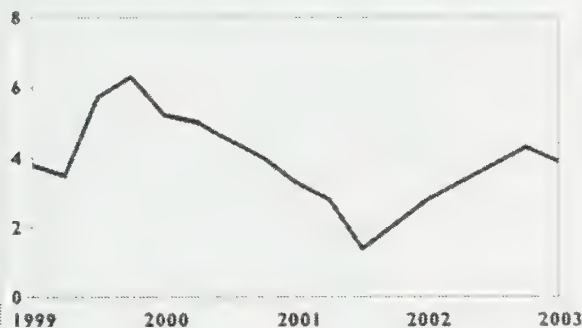


ONTARIO ECONOMIC ACCOUNTS: SUMMARY

(1999:I - 2003:I)

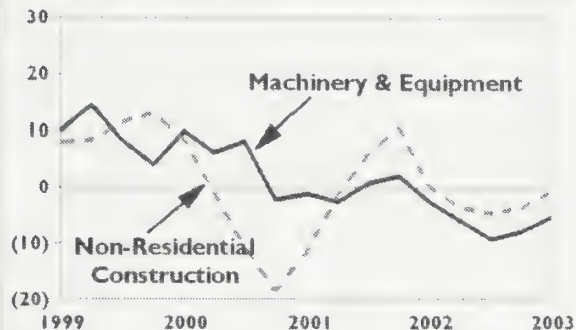
Consumer Spending
(Chained \$ 1997)

% change, year-over-year



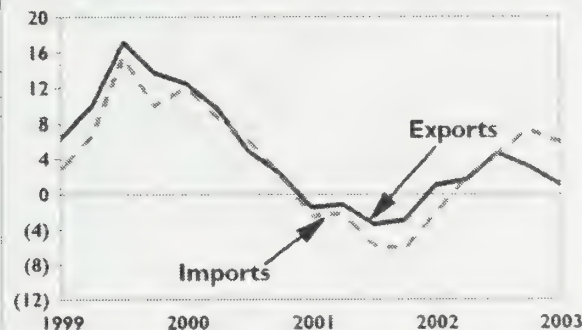
Business Plant & Equipment
(Chained \$ 1997)

% change, year-over-year



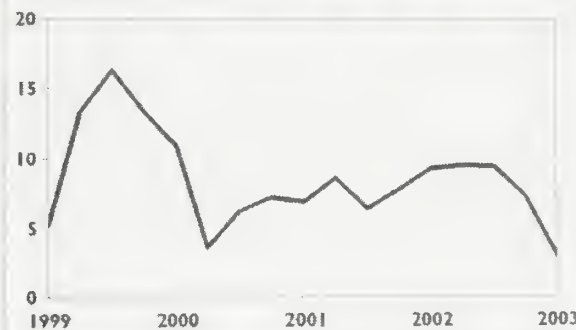
Trade
(Chained \$ 1997)

% change, year-over-year



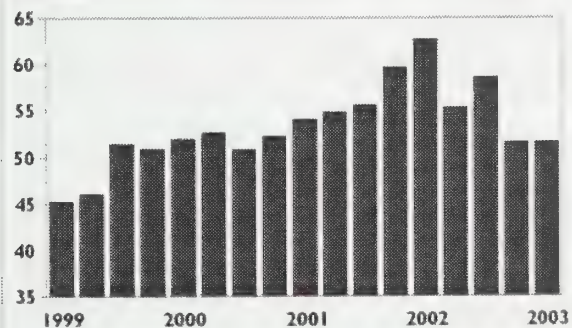
Residential Construction
(Chained \$ 1997)

% change, year-over-year



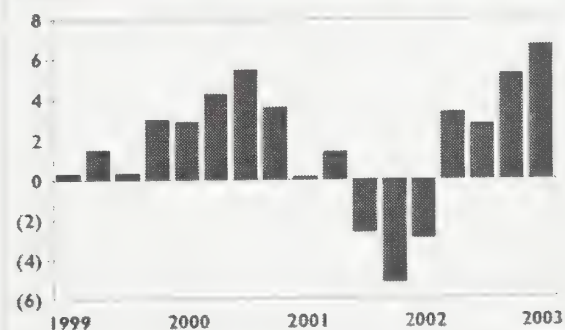
Net Exports
(Chained \$ 1997)

\$ billions



Change in Inventories
(Chained \$ 1997)

\$ billions



LIST OF TABLES

INCOME AND EXPENDITURE DATA

Quarterly Data, 2000:1–2003:1

Table 1: Ontario Gross Domestic Product (Income-Based)	16
Table 2: Ontario Gross Domestic Product (Expenditure-Based)	18
Table 3: Ontario Gross Domestic Product at Chained 1997 Prices	20
Table 4: Sources and Disposition of Ontario Personal Income	22
Table 5: Ontario Trade	24
Table 6: Ontario Deflators	26

Annual Data, 1999–2002

Table 7: Ontario Gross Domestic Product (Income-Based)	28
Table 8: Ontario Gross Domestic Product (Expenditure-Based)	29
Table 9: Ontario Gross Domestic Product at Chained 1997 Prices	30
Table 10: Sources and Disposition of Ontario Personal Income	31
Table 11: Ontario Trade	32
Table 12: Ontario Deflators	33

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

Table 13: Quarterly Data, 2000:1-2003:1	34
Table 14: Annual Data, 1999-2002	38

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted at annual rates, millions of dollars

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Wages, salaries and supplementary labour income (domestic basis)	226,876 2.6	233,269 2.8	236,537 1.4	238,820 1.0	241,090 1.0	242,381 0.5	243,433 0.4	244,850 0.6
2. Corporation profits before taxes	50,869 -3.1	50,968 0.2	51,596 1.2	53,185 3.1	50,010 -6.0	49,658 -0.7	42,887 -13.6	38,200 -10.9
3. Interest and miscellaneous investment income	18,023 8.2	18,374 1.9	18,454 0.4	16,688 -9.6	17,575 5.3	17,179 -2.2	16,601 -3.4	16,553 -0.3
4. Accrued net income of farm operators from farm production	318 9.5	258 -18.9	175 -32.1	199 13.8	390 95.7	408 4.7	549 34.4	419 -23.7
5. Net income of non-farm unincorporated business including rent	26,961 0.5	27,329 1.4	27,553 0.8	28,240 2.5	27,692 -1.9	28,468 2.8	28,886 1.5	29,763 3.0
6. Inventory valuation adjustment	-1,260	-824	749	-2,638	-662	76	440	400
7. Net Domestic Income at factor cost	321,786 1.8	329,373 2.4	335,064 1.7	334,493 -0.2	336,094 0.5	338,170 0.6	332,795 -1.6	330,185 -0.8
8. Indirect taxes less subsidies	56,141 -1.1	56,412 0.5	57,276 1.5	57,665 0.7	56,529 -2.0	59,092 4.5	61,309 3.8	62,343 1.7
9. Capital consumption allowances and miscellaneous valuation adjustments	49,597 3.8	51,056 2.9	51,667 1.2	51,838 0.3	54,754 5.6	54,909 0.3	56,187 2.3	56,751 1.0
10. Gross Domestic Product at market prices	427,525 1.6	436,842 2.2	444,007 1.6	443,995 -0.0	447,378 0.8	452,171 1.1	450,291 -0.4	449,278 -0.2
	* 6.6	* 9.0	* 6.7	* -0.0	* 3.1	* 4.4	* -1.7	* -0.9

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted at annual rates, millions of dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Wages, salaries and supplementary labour income (domestic basis)	249,072 1.7	252,076 1.2	255,659 1.4	259,022 1.3	260,886 0.7	- -	- -	- -
2. Corporation profits before taxes	45,842 20.0	51,436 12.2	57,259 11.3	60,220 5.2	62,191 3.3	- -	- -	- -
3. Interest and miscellaneous investment income	16,728 1.1	16,939 1.3	16,849 -0.5	16,859 0.1	17,292 2.6	- -	- -	- -
4. Accrued net income of farm operators from farm production	534 27.5	571 7.0	736 28.9	825 12.2	816 -1.1	- -	- -	- -
5. Net income of non-farm unincorporated business including rent	30,314 1.9	31,227 3.0	31,298 0.2	31,522 0.7	31,898 1.2	- -	- -	- -
6. Inventory valuation adjustment	-1,899	-1,248	-2,008	-1,503	1,411	-	-	-
7. Net Domestic Income at factor cost	340,590 3.2	351,002 3.1	359,792 2.5	366,945 2.0	374,495 2.1	- -	- -	- -
8. Indirect taxes less subsidies	63,039 1.1	62,903 -0.2	62,431 -0.8	61,700 -1.2	62,068 0.6	- -	- -	- -
9. Capital consumption allowances and miscellaneous valuation adjustments	57,178 0.8	58,621 2.5	58,255 -0.6	58,517 0.4	59,448 1.6	- -	- -	- -
10. Gross Domestic Product at market prices	460,807 2.6	472,526 2.5	480,478 1.7	487,162 1.4	496,011 1.8	- -	- -	- -
	* 10.7	* 10.6	* 6.9	* 5.7	* 7.5	-	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 2***Seasonally adjusted at annual rates, millions of dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Personal expenditure on consumer goods and services:	233,427 1.7	236,647 1.4	243,164 2.8	245,019 0.8	246,709 0.7	250,022 1.3	250,534 0.2	252,579 0.8
2. Goods	105,038 1.8	106,232 1.1	109,383 3.0	109,698 0.3	110,194 0.5	112,299 1.9	111,371 -0.8	113,239 1.7
3. Services	128,389 1.5	130,415 1.6	133,781 2.6	135,321 1.2	136,514 0.9	137,723 0.9	139,163 1.0	139,340 0.1
4. Government expenditure on goods and services:	79,078 0.7	81,416 3.0	83,074 2.0	82,923 -0.2	83,459 0.6	84,982 1.8	86,669 2.0	88,324 1.9
5. Current expenditure	69,685 0.6	72,264 3.7	73,643 1.9	73,385 -0.3	73,463 0.1	74,724 1.7	76,172 1.9	77,211 1.4
6. Capital expenditure	9,394 1.6	9,152 -2.6	9,431 3.1	9,537 1.1	9,996 4.8	10,258 2.6	10,496 2.3	11,113 5.9
7. Business gross fixed capital formation:	68,369 1.9	68,668 0.4	68,617 -0.1	67,891 -1.1	69,667 2.6	71,262 2.3	71,993 1.0	71,335 -0.9
8. Residential construction	21,309 4.2	20,905 -1.9	22,108 5.8	22,696 2.7	23,265 2.5	23,642 1.6	24,255 2.6	25,240 4.1
9. Non-residential construction	12,301 0.1	11,766 -4.3	11,081 -5.8	10,790 -2.6	11,410 5.7	11,901 4.3	11,980 0.7	11,845 -1.1
10. Machinery and equipment	34,760 1.2	35,998 3.6	35,428 -1.6	34,405 -2.9	34,992 1.7	35,719 2.1	35,758 0.1	34,251 -4.2
11. Exports of goods and services	313,750 1.5	314,724 0.3	321,441 2.1	324,255 0.9	317,753 -2.0	317,540 -0.1	311,242 -2.0	306,418 -1.6
12. DEDUCT: Imports of goods and services	268,363 1.3	268,387 0.0	276,772 3.1	278,732 0.7	271,165 -2.7	270,713 -0.2	265,283 -2.0	258,759 -2.5
13. Value of physical change in inventories:	1,664	3,514	3,786	1,765	279	-505	-3,321	-8,638
14. Non-farm	2,084	3,706	4,087	1,802	334	-272	-2,956	-8,449
15. Farm and grain in commercial channels	-419	-198	-311	-50	-81	-244	-353	-180
16. Statistical discrepancy	-401	260	695	874	677	-417	-1,543	-1,981
17. Gross Domestic Product at market prices	427,525 1.6 6.6	436,842 2.2 9.0	444,007 1.6 6.7	443,995 -0.0 -0.0	447,378 0.8 3.1	452,171 1.1 4.4	450,291 -0.4 -1.7	449,278 -0.2 -0.9
18. Final domestic demand	380,875 1.5	386,731 1.5	394,855 2.1	395,832 0.2	399,834 1.0	406,266 1.6	409,196 0.7	412,238 0.7

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted at annual rates, millions of dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Personal expenditure on consumer goods and services:	256,525 1.6	260,816 1.7	265,275 1.7	270,291 1.9	274,310 1.5	-	-	-
2. Goods	115,795 2.3	116,702 0.8	119,051 2.0	121,907 2.4	124,266 1.9	-	-	-
3. Services	140,730 1.0	144,114 2.4	146,224 1.5	148,384 1.5	150,044 1.1	-	-	-
4. Government expenditure on goods and services:	88,698 0.4	90,550 2.1	92,356 2.0	93,843 1.6	94,792 1.0	-	-	-
5. Current expenditure	77,246 0.0	79,028 2.3	80,688 2.1	82,127 1.8	82,208 0.1	-	-	-
6. Capital expenditure	11,453 3.1	11,522 0.6	11,667 1.3	11,716 0.4	12,584 7.4	-	-	-
7. Business gross fixed capital formation:	72,704 1.9	72,870 0.2	72,830 -0.1	73,012 0.2	73,139 0.2	-	-	-
8. Residential construction	26,880 6.5	27,233 1.3	28,002 2.8	28,447 1.6	28,920 1.7	-	-	-
9. Non-residential construction	11,539 -2.6	11,596 0.5	11,598 0.0	11,610 0.1	11,795 1.6	-	-	-
10. Machinery and equipment	34,286 0.1	34,042 -0.7	33,231 -2.4	32,955 -0.8	32,423 -1.6	-	-	-
11. Exports of goods and services	314,639 2.7	317,170 0.8	326,948 3.1	322,040 -1.5	316,977 -1.6	-	-	-
12. DEDUCT: Imports of goods and services	263,963 2.0	272,799 3.3	278,900 2.2	279,510 0.2	270,935 -3.1	-	-	-
13. Value of physical change in inventories:	-6,160	4,431	2,621	6,831	7,384	-	-	-
14. Non-farm	-6,067	4,234	3,128	6,357	7,656	-	-	-
15. Farm and grain in commercial channels	-30	140	-418	431	-280	-	-	-
16. Statistical discrepancy	-1,637	-513	-651	656	344	-	-	-
17. Gross Domestic Product at market prices	460,807 2.6	472,526 2.5	480,478 1.7	487,162 1.4	496,011 1.8	-	-	-
*	10.7	10.6	6.9	5.7	7.5	-	-	-
18. Final domestic demand	417,927 1.4	424,236 1.5	430,460 1.5	437,146 1.6	442,241 1.2	-	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 3***Seasonally adjusted at annual rates, millions of chained (1997) dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Personal expenditure on consumer goods and services:	223,391 1.0	225,840 1.1	229,600 1.7	230,133 0.2	230,795 0.3	232,158 0.6	232,733 0.2	234,967 1.0
2. Goods	101,008 0.9	102,010 1.0	104,035 2.0	103,295 -0.7	103,138 -0.2	103,932 0.8	103,721 -0.2	106,367 2.6
3. Services	122,420 1.1	123,867 1.2	125,605 1.4	126,871 1.0	127,689 0.6	128,257 0.4	129,044 0.6	128,650 -0.3
4. Government expenditure on goods and services:	77,944 0.6	76,970 -1.2	78,088 1.5	79,263 1.5	79,320 0.1	81,022 2.1	82,035 1.3	83,378 1.6
5. Current expenditure	68,670 0.6	67,880 -1.2	68,780 1.3	69,967 1.7	69,538 -0.6	70,972 2.1	71,710 1.0	72,487 1.1
6. Capital expenditure	9,234 0.3	9,049 -2.0	9,270 2.4	9,252 -0.2	9,751 5.4	10,020 2.8	10,300 2.8	10,882 5.6
7. Business gross fixed capital formation:	67,298 0.9	67,217 -0.1	66,748 -0.7	65,096 -2.5	66,941 2.8	67,941 1.5	69,052 1.6	68,577 -0.7
8. Residential construction	19,863 2.7	19,647 -1.1	20,451 4.1	20,728 1.4	21,228 2.4	21,330 0.5	21,765 2.0	22,336 2.6
9. Non-residential construction	11,601 -1.9	10,838 -6.6	10,142 -6.4	9,636 -5.0	10,275 6.6	10,699 4.1	10,758 0.6	10,654 -1.0
10. Machinery and equipment	35,844 0.8	36,837 2.8	36,239 -1.6	34,762 -4.1	35,433 1.9	35,898 1.3	36,518 1.7	35,469 -2.9
11. Exports of goods and services	309,833 1.3	309,726 -0.0	315,102 1.7	313,204 -0.6	305,264 -2.5	306,300 0.3	304,420 -0.6	304,060 -0.1
12. DEDUCT: Imports of goods and services	257,754 1.1	256,963 -0.3	264,175 2.8	260,778 -1.3	251,192 -3.7	251,415 0.1	248,745 -1.1	244,313 -1.8
13. Value of physical change in inventories:	2,635	4,056	5,054	3,748	124	1,255	-2,850	-5,166
14. Non-farm	2,871	4,271	5,468	3,570	151	1,378	-2,688	-5,191
15. Farm and grain in commercial channels	-250	-243	-453	102	-56	-159	-266	-58
16. Statistical discrepancy	-396	254	675	851	654	-403	-1,491	-1,938
17. Gross Domestic Product at market prices	423,003 1.0 4.1	427,182 1.0 4.0	431,203 0.9 3.8	431,661 0.1 0.4	431,966 0.1 0.3	436,940 1.2 4.7	435,210 -0.4 -1.6	439,617 1.0 4.1
18. Final domestic demand	368,539 0.9	369,953 0.4	374,397 1.2	374,488 0.0	377,027 0.7	381,066 1.1	383,738 0.7	386,861 0.8

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 3

Seasonally adjusted at annual rates. millions of chained (1997) dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Personal expenditure on consumer goods and services:	237,308 1.0	239,884 1.1	241,546 0.7	245,133 1.5	246,584 0.6	-	-	-
2. Goods	108,282 1.8	108,061 -0.2	108,491 0.4	110,831 2.2	111,772 0.8	-	-	-
3. Services	129,092 0.3	131,867 2.2	133,098 0.9	134,348 0.9	134,858 0.4	-	-	-
4. Government expenditure on goods and services:	83,130 -0.3	84,665 1.8	85,543 1.0	86,422 1.0	87,353 1.1	-	-	-
5. Current expenditure	72,058 -0.6	73,500 2.0	74,346 1.2	75,182 1.1	75,577 0.5	-	-	-
6. Capital expenditure	11,071 1.7	11,160 0.8	11,189 0.3	11,229 0.4	11,777 4.9	-	-	-
7. Business gross fixed capital formation:	68,325 -0.4	67,780 -0.8	67,621 -0.2	67,324 -0.4	67,324 -0.0	-	-	-
8. Residential construction	23,211 3.9	23,358 0.6	23,808 1.9	23,960 0.6	23,913 -0.2	-	-	-
9. Non-residential construction	10,307 -3.3	10,327 0.2	10,277 -0.5	10,267 -0.1	10,225 -0.4	-	-	-
10. Machinery and equipment	34,572 -2.5	33,796 -2.2	33,156 -1.9	32,669 -1.5	32,775 0.3	-	-	-
11. Exports of goods and services	308,399 1.4	311,417 1.0	318,735 2.3	313,871 -1.5	311,919 -0.6	-	-	-
12. DEDUCT: Imports of goods and services	245,690 0.6	256,062 4.2	260,128 1.6	262,135 0.8	260,137 -0.8	-	-	-
13. Value of physical change in inventories:	-2,936	3,535	2,297	5,659	6,796	-	-	-
14. Non-farm	-2,967	3,330	2,764	5,239	6,708	-	-	-
15. Farm and grain in commercial channels	-8	116	-409	331	-63	-	-	-
16. Statistical discrepancy	-1,589	-489	-617	616	319	-	-	-
17. Gross Domestic Product at market prices	447,128 1.7	450,884 0.8	455,239 1.0	457,132 0.4	460,397 0.7	-	-	-
*	7.0	3.4	3.9	1.7	2.9	-	-	-
18. Final domestic demand	388,724 0.5	392,294 0.9	394,677 0.6	398,865 1.1	401,245 0.6	-	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted at annual rates, millions of dollars

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Wages, salaries and supplementary labour income (national basis)	223,705 2.3	230,063 2.8	233,415 1.5	235,795 1.0	238,892 1.3	240,770 0.8	242,270 0.6	243,046 0.3
2. Net income of farm operators from farm production	318 9.5	258 -18.9	175 -32.1	199 13.8	390 95.7	408 4.7	549 34.4	419 -23.7
3. Net income of non-farm unincorporated business including rent	26,961 0.5	27,329 1.4	27,553 0.8	28,240 2.5	27,692 -1.9	28,468 2.8	28,886 1.5	29,763 3.0
4. Interest, dividends and miscellaneous investment income	46,429 4.5	47,550 2.4	47,619 0.1	48,059 0.9	47,678 -0.8	47,143 -1.1	46,451 -1.5	44,903 -3.3
5. Current transfers from government, corporations and non-residents	42,622 6.8	40,780 -4.3	40,932 0.4	41,056 0.3	44,534 8.5	42,997 -3.4	43,627 1.5	43,786 0.4
6. Equals: Personal income	340,035 3.0	345,980 1.7	349,694 1.1	353,350 1.0	359,185 1.7	359,786 0.2	361,781 0.6	361,916 0.0
7. Deduct: Personal direct taxes	59,181 1.5	60,149 1.6	60,814 1.1	58,612 -3.6	61,013 4.1	61,895 1.4	63,346 2.3	63,141 -0.3
8. Other current transfers to government	22,304 5.3	22,713 1.8	23,161 2.0	23,460 1.3	24,199 3.2	24,457 1.1	24,933 1.9	25,239 1.2
9. Equals: Personal disposable income	258,549 3.1	263,118 1.8	265,719 1.0	271,278 2.1	273,973 1.0	273,434 -0.2	273,502 0.0	273,536 0.0
10. Deduct: Personal expenditure on consumer goods and services	233,427 1.7	236,647 1.4	243,164 2.8	245,019 0.8	246,709 0.7	250,022 1.3	250,534 0.2	252,579 0.8
11. Current transfers to corporations	4,384 2.1	4,739 8.1	4,880 3.0	5,138 5.3	5,072 -1.3	5,323 5.0	5,103 -4.1	4,970 -2.6
12. Current transfers to non-residents	655 -2.9	664 1.3	676 1.8	685 1.4	719 5.0	774 7.5	804 4.0	815 1.4
13. Equals: Personal saving	20,083 24.3	21,068 4.9	16,999 -19.3	20,436 20.2	21,474 5.1	17,314 -19.4	17,061 -1.5	15,172 -11.1
14. Personal savings rate	7.8	8.0	6.4	7.5	7.8	6.3	6.2	5.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted at annual rates, millions of dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Wages, salaries and supplementary labour income (national basis)	247,516 1.8	250,399 1.2	253,935 1.4	257,268 1.3	259,120 0.7	-	-	-
2. Net income of farm operators from farm production	534 27.5	571 7.0	736 28.9	825 12.2	816 -1.1	-	-	-
3. Net income of non-farm unincorporated business including rent	30,314 1.9	31,227 3.0	31,298 0.2	31,522 0.7	31,898 1.2	-	-	-
4. Interest, dividends and miscellaneous investment income	44,060 -1.9	43,800 -0.6	43,254 -1.2	42,547 -1.6	42,890 0.8	-	-	-
5. Current transfers from government, corporations and non-residents	45,166 3.2	45,356 0.4	45,980 1.4	47,059 2.3	47,691 1.3	-	-	-
6. Equals: Personal income	367,589 1.6	371,353 1.0	375,203 1.0	379,222 1.1	382,415 0.8	-	-	-
7. Deduct: Personal direct taxes	61,496 -2.6	59,185 -3.8	59,720 0.9	60,197 0.8	60,629 0.7	-	-	-
8. Other current transfers to government	25,737 2.0	26,007 1.0	26,366 1.4	26,522 0.6	26,944 1.6	-	-	-
9. Equals: Personal disposable income	280,356 2.5	286,161 2.1	289,118 1.0	292,503 1.2	294,843 0.8	-	-	-
10. Deduct: Personal expenditure on consumer goods and services	256,525 1.6	260,816 1.7	265,275 1.7	270,291 1.9	274,310 1.5	-	-	-
11. Current transfers to corporations	4,774 -4.0	4,570 -4.3	4,800 5.0	4,915 2.4	5,033 2.4	-	-	-
12. Current transfers to non-residents	773 -5.2	828 7.2	829 0.1	842 1.6	794 -5.7	-	-	-
13. Equals: Personal saving	18,284 20.5	19,946 9.1	18,214 -8.7	16,456 -9.7	14,706 -10.6	-	-	-
14. Personal savings rate	6.5	7.0	6.3	5.6	5.0	-	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 5***Seasonally adjusted at annual rates, millions of dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Exports of Goods and Services	313,750 1.5	314,724 0.3	321,441 2.1	324,255 0.9	317,753 -2.0	317,540 -0.1	311,242 -2.0	306,418 -1.6
2. Of Which: International	234,070 3.0	236,631 1.1	239,294 1.1	245,459 2.6	236,628 -3.6	233,998 -1.1	225,910 -3.5	221,494 -2.0
3. Of Which: Interprovincial	79,680 -2.5	78,093 -2.0	82,148 5.2	78,796 -4.1	81,125 3.0	83,542 3.0	85,333 2.1	84,924 -0.5
4. Imports of Goods and Services	268,363 1.3	268,387 0.0	276,772 3.1	278,732 0.7	271,165 -2.7	270,713 -0.2	265,283 -2.0	258,759 -2.5
5. Trade Balance	45,387	46,337	44,670	45,523	46,588	46,827	45,959	47,659

*Notes: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO TRADE**TABLE 5***Seasonally adjusted at annual rates, millions of dollars*

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Exports of Goods and Services	314,639 2.7	317,170 0.8	326,948 3.1	322,040 -1.5	316,977 -1.6	-	-	-
2. Of Which: International	228,607 3.2	230,448 0.8	238,998 3.7	233,151 -2.4	227,330 -2.5	-	-	-
3. Of Which: Interprovincial	86,032 1.3	86,722 0.8	87,950 1.4	88,888 1.1	89,648 0.9	-	-	-
4. Imports of Goods and Services	263,963 2.0	272,799 3.3	278,900 2.2	279,510 0.2	270,935 -3.1	-	-	-
5. Trade Balance	50,677	44,371	48,048	42,529	46,042	-	-	-

*Notes: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

1997 = 100

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Personal expenditure on consumer goods and services:	104.5 0.7	104.8 0.3	105.9 1.1	106.5 0.5	106.9 0.4	107.7 0.7	107.6 -0.0	107.5 -0.1
2. Goods	104.0 1.0	104.1 0.1	105.1 1.0	106.2 1.0	106.8 0.6	108.1 1.1	107.4 -0.6	106.5 -0.9
3. Services	104.9 0.5	105.3 0.4	106.5 1.2	106.7 0.1	106.9 0.2	107.4 0.4	107.8 0.4	108.3 0.4
4. Government expenditure on goods and services:	101.5 0.1	105.8 4.3	106.4 0.6	104.6 -1.7	105.2 0.6	104.9 -0.3	105.6 0.7	105.9 0.3
5. Current expenditure	101.5 -0.0	106.5 4.9	107.1 0.6	104.9 -2.0	105.6 0.7	105.3 -0.3	106.2 0.9	106.5 0.3
6. Capital expenditure	101.7 1.3	101.1 -0.6	101.7 0.6	103.1 1.3	102.5 -0.5	102.4 -0.1	101.9 -0.5	102.1 0.2
7. Business gross fixed capital formation:	101.6 1.0	102.2 0.6	102.8 0.6	104.3 1.5	104.1 -0.2	104.9 0.8	104.3 -0.6	104.0 -0.2
8. Residential construction	107.3 1.5	106.4 -0.8	108.1 1.6	109.5 1.3	109.6 0.1	110.8 1.1	111.4 0.5	113.0 1.4
9. Non-residential construction	106.0 2.0	108.6 2.4	109.3 0.6	112.0 2.5	111.0 -0.8	111.2 0.2	111.4 0.1	111.2 -0.2
10. Machinery and equipment	97.0 0.4	97.7 0.8	97.8 0.0	99.0 1.2	98.8 -0.2	99.5 0.8	97.9 -1.6	96.6 -1.4
11. Exports of goods and services	101.3 0.2	101.6 0.3	102.0 0.4	103.5 1.5	104.1 0.5	103.7 -0.4	102.2 -1.4	100.8 -1.4
12. DEDUCT: Imports of goods and services	104.1 0.2	104.4 0.3	104.8 0.3	106.9 2.0	108.0 1.0	107.7 -0.3	106.6 -1.0	105.9 -0.7
13. Gross Domestic Product at market prices	101.1 0.6 2.5	102.3 1.2 4.8	103.0 0.7 2.8	102.9 -0.1 -0.4	103.6 0.7 2.8	103.5 -0.1 -0.3	103.5 -0.0 -0.1	102.2 -1.2 -4.8
14. Final domestic demand	103.3 0.6	104.5 1.1	105.5 0.9	105.7 0.2	106.0 0.3	106.6 0.5	106.6 0.0	106.6 -0.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

1997 = 100

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Personal expenditure on consumer goods and services:	108.1 0.6	108.7 0.6	109.8 1.0	110.3 0.4	111.2 0.9	-	-	-
2. Goods	106.9 0.4	108.0 1.0	109.7 1.6	110.0 0.2	111.2 1.1	-	-	-
3. Services	109.0 0.7	109.3 0.2	109.9 0.5	110.4 0.5	111.3 0.7	-	-	-
4. Government expenditure on goods and services:	106.7 0.7	107.0 0.2	108.0 0.9	108.6 0.6	108.5 -0.1	-	-	-
5. Current expenditure	107.2 0.6	107.5 0.3	108.5 0.9	109.2 0.7	108.8 -0.4	-	-	-
6. Capital expenditure	103.4 1.3	103.2 -0.2	104.3 1.0	104.3 0.1	106.9 2.4	-	-	-
7. Business gross fixed capital formation:	106.4 2.3	107.5 1.0	107.7 0.2	108.4 0.7	108.6 0.2	-	-	-
8. Residential construction	115.8 2.5	116.6 0.7	117.6 0.9	118.7 0.9	120.9 1.9	-	-	-
9. Non-residential construction	112.0 0.7	112.3 0.3	112.9 0.5	113.1 0.2	115.4 2.0	-	-	-
10. Machinery and equipment	99.2 2.7	100.7 1.6	100.2 -0.5	100.9 0.7	98.9 -1.9	-	-	-
11. Exports of goods and services	102.0 1.2	101.8 -0.2	102.6 0.7	102.6 0.0	101.6 -1.0	-	-	-
12. DEDUCT: Imports of goods and services	107.4 1.4	106.5 -0.8	107.2 0.6	106.6 -0.5	104.2 -2.3	-	-	-
13. Gross Domestic Product at market prices	103.1 0.8	104.8 1.7	105.5 0.7	106.6 1.0	107.7 1.1	-	-	-
*	3.4	6.9	2.9	3.9	4.4	-	-	-
14. Final domestic demand	107.5 0.9	108.1 0.6	109.1 0.9	109.6 0.5	110.2 0.6	-	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 7

Millions of dollars

	1999	2000	2001	2002
1. Wages, salaries and supplementary labour income (domestic basis)	214,520 7.3	233,875 9.0	242,938 3.9	253,957 4.5
2. Corporation profits before taxes	50,204 27.1	51,655 2.9	45,189 -12.5	53,689 18.8
3. Interest and miscellaneous investment income	17,158 0.2	17,884 4.2	16,977 -5.1	16,844 -0.8
4. Accrued net income of farm operators from farm production	216 -8.0	237 9.8	441 85.9	667 51.0
5. Net income of non-farm unincorporated business including rent	25,900 7.7	27,521 6.3	28,702 4.3	31,090 8.3
6. Inventory valuation adjustment	-958	-993	63	-1,664
7. Net Domestic Income at factor cost	307,040 9.6	330,179 7.5	334,311 1.3	354,582 6.1
8. Indirect taxes less subsidies	54,845 6.6	56,873 3.7	59,819 5.2	62,518 4.5
9. Capital consumption allowances and miscellaneous valuation adjustments	48,464 4.9	51,040 5.3	55,650 9.0	58,143 4.5
10. Gross Domestic Product at market prices	410,350 8.6	438,092 6.8	449,780 2.7	475,243 5.7

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 8

Millions of dollars

	1999	2000	2001	2002
1. Personal expenditure on consumer goods and services:	223,992 6.7	239,564 7.0	249,961 4.3	263,227 5.3
2. Goods	100,412 8.1	107,588 7.1	111,776 3.9	118,364 5.9
3. Services	123,580 5.7	131,977 6.8	138,185 4.7	144,863 4.8
4. Government expenditure on goods and services:	76,428 4.7	81,623 6.8	85,858 5.2	91,362 6.4
5. Current expenditure	67,648 3.0	72,244 6.8	75,393 4.4	79,772 5.8
6. Capital expenditure	8,781 19.0	9,378 6.8	10,466 11.6	11,589 10.7
7. Business gross fixed capital formation:	64,977 9.3	68,387 5.2	71,064 3.9	72,854 2.5
8. Residential construction	19,765 14.7	21,754 10.1	24,101 10.8	27,640 14.7
9. Non-residential construction	11,641 12.2	11,484 -1.3	11,784 2.6	11,586 -1.7
10. Machinery and equipment	33,571 5.4	35,148 4.7	35,180 0.1	33,628 -4.4
11. Exports of goods and services	293,105 11.2	318,543 8.7	313,238 -1.7	320,199 2.2
12. DEDUCT: Imports of goods and services	248,758 8.4	273,063 9.8	266,480 -2.4	273,793 2.7
13. Value of physical change in inventories:	864	2,682	-3,046	1,931
14. Non-farm	977	2,920	-2,836	1,913
15. Farm and grain in commercial channels	-112	-244	-215	31
16. Statistical discrepancy	-259	357	-816	-536
17. Gross Domestic Product at market prices	410,350 8.6	438,092 6.8	449,780 2.7	475,243 5.7
18. Final domestic demand	365,398 6.7	389,573 6.6	406,884 4.4	427,443 5.1

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 9

Millions of chained (1997) dollars

	1999	2000	2001	2002
1. Personal expenditure on consumer goods and services:	217,111 4.8	227,241 4.7	232,663 2.4	240,968 3.6
2. Goods	97,988 6.1	102,587 4.7	104,289 1.7	108,916 4.4
3. Services	119,158 3.9	124,691 4.6	128,410 3.0	132,101 2.9
4. Government expenditure on goods and services:	75,251 4.6	78,066 3.7	81,439 4.3	84,940 4.3
5. Current expenditure	66,386 2.7	68,824 3.7	71,177 3.4	73,772 3.6
6. Capital expenditure	8,825 20.0	9,201 4.3	10,238 11.3	11,162 9.0
7. Business gross fixed capital formation:	64,153 10.1	66,590 3.8	68,128 2.3	67,762 -0.5
8. Residential construction	18,864 12.0	20,172 6.9	21,665 7.4	23,584 8.9
9. Non-residential construction	11,209 10.2	10,555 -5.8	10,596 0.4	10,294 -2.8
10. Machinery and equipment	34,082 9.0	35,921 5.4	35,829 -0.3	33,548 -6.4
11. Exports of goods and services	291,093 11.8	311,966 7.2	305,011 -2.2	313,105 2.7
12. DEDUCT: Imports of goods and services	242,596 8.7	259,917 7.1	248,916 -4.2	256,004 2.8
13. Value of physical change in inventories:	1,247	3,873	-1,659	2,139
14. Non-farm	1,282	4,045	-1,588	2,091
15. Farm and grain in commercial channels	-37	-211	-135	7
16. Statistical discrepancy	-257	346	-795	-520
17. Gross Domestic Product at market prices	406,028 7.8	428,262 5.5	435,933 1.8	452,595 3.8
18. Final domestic demand	356,448 5.7	371,844 4.3	382,173 2.8	393,640 3.0

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 10

Millions of dollars

	1999	2000	2001	2002
1. Wages, salaries and supplementary labour income (national basis)	212,280 7.6	230,745 8.7	241,244 4.6	252,280 4.6
2. Net income of farm operators from farm production	216 -8.0	237 9.8	441 85.9	667 51.0
3. Net income of non-farm unincorporated business including rent	25,900 7.7	27,521 6.3	28,702 4.3	31,090 8.3
4. Interest, dividends and miscellaneous investment income	44,493 2.4	47,414 6.6	46,544 -1.8	43,415 -6.7
5. Current transfers from government, corporations and non-residents	39,529 -0.2	41,348 4.6	43,736 5.8	45,890 4.9
6. Equals: Personal income	322,418 5.8	347,265 7.7	360,667 3.9	373,342 3.5
7. Deduct: Personal direct taxes	56,961 6.2	59,689 4.8	62,349 4.5	60,149 -3.5
8. Other current transfers to government	20,552 5.1	22,910 11.5	24,707 7.8	26,158 5.9
9. Equals: Personal disposable income	244,906 5.8	264,666 8.1	273,611 3.4	287,034 4.9
10. Deduct: Personal expenditure on consumer goods and services	223,992 6.7	239,564 7.0	249,961 4.3	263,227 5.3
11. Current transfers to corporations	4,071 15.4	4,785 17.5	5,117 6.9	4,765 -6.9
12. Current transfers to non-residents	650 19.2	670 3.1	778 16.1	818 5.1
13. Equals: Personal saving	16,192 -7.6	19,646 21.3	17,755 -9.6	18,225 2.6
14. Personal savings rate	6.6	7.4	6.5	6.4

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 11***Millions of dollars*

	1999	2000	2001	2002
1. Exports of Goods and Services	293,105 11.2	318,543 8.7	313,238 -1.7	320,199 2.2
2. Of Which: International	216,907 12.1	238,863 10.1	229,508 -3.9	232,801 1.4
3. Of Which: Interprovincial	76,198 8.6	79,679 4.6	83,731 5.1	87,398 4.4
4. Imports of Goods and Services	248,758 8.4	273,063 9.8	266,480 -2.4	273,793 2.7
5. Trade Balance	44,347	45,479	46,758	46,406

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 12

1997 = 100

	1999	2000	2001	2002
1. Personal expenditure on consumer goods and services:	103.2 1.8	105.4 2.2	107.4 1.9	109.2 1.7
2. <i>Goods</i>	102.5 1.9	104.9 2.3	107.2 2.2	108.7 1.4
3. <i>Services</i>	103.7 1.7	105.8 2.1	107.6 1.7	109.7 1.9
4. Government expenditure on goods and services:	101.6 0.1	104.6 2.9	105.4 0.8	107.5 2.0
5. <i>Current expenditure</i>	101.9 0.3	105.0 3.0	105.9 0.9	108.1 2.1
6. <i>Capital expenditure</i>	99.5 -0.9	101.9 2.4	102.2 0.3	103.8 1.6
7. Business gross fixed capital formation:	101.3 -0.7	102.7 1.4	104.3 1.6	107.5 3.1
8. <i>Residential construction</i>	104.7 2.4	107.8 2.9	111.2 3.2	117.2 5.4
9. <i>Non-residential construction</i>	103.8 1.8	109.0 4.9	111.2 2.1	112.5 1.2
10. <i>Machinery and equipment</i>	98.5 -3.3	97.9 -0.7	98.2 0.3	100.3 2.1
11. Exports of goods and services	100.7 -0.5	102.1 1.4	102.7 0.6	102.3 -0.4
12. DEDUCT: Imports of goods and services	102.5 -0.3	105.1 2.5	107.0 1.9	107.0 -0.1
13. Gross Domestic Product at market prices	101.1 0.8	102.3 1.2	103.2 0.9	105.0 1.8
14. Final domestic demand	102.5 1.0	104.8 2.2	106.5 1.6	108.6 2.0

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted at annual rates, millions of dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Goods Producing Industries	121,385 1.4	122,558 1.0	123,040 0.4	122,057 -0.8	119,242 -2.3	119,649 0.3	116,785 -2.4	116,400 -0.3
2. Primary	7,688 -1.7	7,772 1.1	7,593 -2.3	7,475 -1.6	7,396 -1.1	7,316 -1.1	7,142 -2.4	7,123 -0.3
3. Agriculture, Forestry, Fishing & Hunting	4,732 -1.5	4,861 2.7	4,744 -2.4	4,710 -0.7	4,533 -3.8	4,413 -2.6	4,174 -5.4	4,034 -3.4
4. Mining	2,955 -2.0	2,911 -1.5	2,849 -2.1	2,765 -3.0	2,864 3.6	2,903 1.4	2,968 2.2	3,088 4.1
5. Utilities	10,055 0.4	10,289 2.3	10,245 -0.4	10,458 2.1	10,162 -2.8	10,375 2.1	10,027 -3.4	10,186 1.6
6. Electric Power	8,226 -0.7	8,341 1.4	8,286 -0.7	8,444 1.9	8,213 -2.7	8,455 3.0	8,180 -3.3	8,326 1.8
7. Natural Gas, Water and Other	1,829 6.0	1,948 6.5	1,959 0.6	2,014 2.8	1,949 -3.2	1,920 -1.5	1,847 -3.8	1,860 0.7
8. Construction	18,637 2.2	18,402 -1.3	18,437 0.2	18,464 0.1	18,988 2.8	19,216 1.2	19,674 2.4	20,080 2.1
9. Residential Buildings	7,305 3.9	7,091 -2.9	7,259 2.4	7,278 0.3	7,445 2.3	7,240 -2.8	7,296 0.8	7,439 2.0
10. Non-Residential Buildings and Engineering	11,333 1.1	11,311 -0.2	11,178 -1.2	11,186 0.1	11,543 3.2	11,977 3.8	12,378 3.4	12,641 2.1
11. Manufacturing	85,005 1.7	86,096 1.3	86,764 0.8	85,661 -1.3	82,696 -3.5	82,741 0.1	79,942 -3.4	79,011 -1.2
12. Food, Beverage, & Tobacco Products	9,432 0.5	9,598 1.8	9,632 0.4	9,947 3.3	10,187 2.4	10,265 0.8	10,252 -0.1	10,309 0.6
13. Textile, Clothing, & Leather Products	1,727 -0.2	1,758 1.8	1,716 -2.4	1,722 0.4	1,651 -4.1	1,632 -1.1	1,558 -4.5	1,551 -0.5
14. Wood Products and Furniture	4,042 4.1	4,440 9.8	4,551 2.5	4,553 0.0	4,457 -2.1	4,302 -3.5	4,078 -5.2	4,031 -1.2
15. Paper Products and Printing	5,535 -3.1	5,626 1.6	5,575 -0.9	5,602 0.5	5,531 -1.3	5,336 -3.5	5,410 1.4	5,397 -0.2
16. Chemical and Petroleum Products	7,287 -3.6	7,269 -0.2	7,483 2.9	7,642 2.1	7,446 -2.6	7,620 2.3	7,316 -4.0	7,409 1.3
17. Plastic and Rubber Products	5,316 2.1	5,035 -5.3	5,257 4.4	5,230 -0.5	5,412 3.5	5,391 -0.4	5,291 -1.9	5,340 0.9
18. Primary Metal & Fabricated Metal Products	11,891 2.1	11,749 -1.2	11,552 -1.7	11,268 -2.5	11,021 -2.2	11,296 2.5	11,384 0.8	11,484 0.9
19. Machinery	5,610 4.2	5,802 3.4	5,428 -6.4	5,091 -6.2	5,065 -0.5	5,075 0.2	4,983 -1.8	4,946 -0.7

*Notes: Ontario Production is measured as Gross Domestic Product at basic prices.**Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted at annual rates, millions of dollars

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
20. Electrical and Electronic Products	10,281 7.4	11,585 12.7	12,613 8.9	12,918 2.4	11,014 -14.7	10,197 -7.4	8,704 -14.6	7,654 -12.1
21. Transportation Equipment	20,728 2.0	20,140 -2.8	19,715 -2.1	18,499 -6.2	17,702 -4.3	18,520 4.6	18,091 -2.3	17,956 -0.7
22. Auto Industry (Vehicles & Parts)	18,499 1.9	17,923 -3.1	17,794 -0.7	16,676 -6.3	15,741 -5.6	16,568 5.3	16,278 -1.7	16,126 -0.9
23. Other Transportation Equipment	2,229 2.9	2,217 -0.5	1,921 -13.4	1,823 -5.1	1,961 7.6	1,952 -0.4	1,813 -7.1	1,830 0.9
24. Non-metallic Mineral Products & Other Manufacturing	3,156 -1.4	3,093 -2.0	3,243 4.9	3,189 -1.7	3,208 0.6	3,107 -3.1	2,875 -7.5	2,934 2.1
25. Services Producing Industries	263,944 0.5	267,558 1.4	271,851 1.6	274,218 0.9	275,805 0.6	278,226 0.9	278,871 0.2	280,907 0.7
26. Wholesale Trade	25,245 -0.9	25,991 3.0	26,365 1.4	26,442 0.3	26,149 -1.1	26,582 1.7	26,486 -0.4	26,099 -1.5
27. Retail Trade	20,514 1.6	20,915 2.0	21,451 2.6	21,412 -0.2	21,517 0.5	21,523 0.0	21,336 -0.9	22,058 3.4
28. Transportation and Warehousing	15,773 -1.8	15,995 1.4	16,350 2.2	16,020 -2.0	15,948 -0.4	15,707 -1.5	15,586 -0.8	15,560 -0.2
29. Information & Culture (including Telecommunications)	15,946 2.3	16,394 2.8	16,946 3.4	17,563 3.6	17,766 1.2	18,229 2.6	18,577 1.9	19,145 3.1
30. Finance, Insurance, Real Estate, Rental & Leasing	81,530 1.4	81,900 0.5	82,801 1.1	83,571 0.9	84,317 0.9	85,126 1.0	85,771 0.8	86,741 1.1
31. Professional and Administrative Services	28,117 1.4	28,810 2.5	29,644 2.9	30,315 2.3	30,669 1.2	31,153 1.6	31,177 0.1	31,107 -0.2
32. Education	17,259 -2.6	17,440 1.0	17,522 0.5	17,500 -0.1	17,503 0.0	17,463 -0.2	17,524 0.4	17,465 -0.3
33. Health Care and Social Services	20,921 -0.3	21,008 0.4	21,149 0.7	21,228 0.4	21,287 0.3	21,537 1.2	21,868 1.5	22,154 1.3
34. Arts, Entertainment & Recreation	3,544 0.1	3,496 -1.4	3,627 3.7	3,726 2.7	3,721 -0.1	3,642 -2.1	3,597 -1.2	3,591 -0.2
35. Accommodation and Food	8,026 -1.1	8,230 2.5	8,427 2.4	8,466 0.5	8,680 2.5	8,659 -0.2	8,291 -4.2	8,340 0.6
36. Other Services	8,253 -0.0	8,275 0.3	8,341 0.8	8,487 1.8	8,583 1.1	8,661 0.9	8,609 -0.6	8,496 -1.3
37. Public Administration	18,816 0.7	19,105 1.5	19,229 0.6	19,486 1.3	19,665 0.9	19,944 1.4	20,048 0.5	20,151 0.5
38. Total Production	385,329 0.8 3.1	390,116 1.2 5.1	394,892 1.2 5.0	396,275 0.4 1.4	395,047 -0.3 -1.2	397,875 0.7 2.9	395,656 -0.6 -2.2	397,307 0.4 1.7

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted at annual rates, millions of dollars*

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Goods Producing Industries	120,695 3.7	122,413 1.4	123,471 0.9	123,620 0.1	125,091 1.2	-	-	-
2. Primary	7,072 -0.7	7,353 4.0	7,569 2.9	7,854 3.8	8,095 3.1	-	-	-
3. Agriculture, Forestry, Fishing & Hunting	4,062 0.7	4,389 8.1	4,664 6.3	4,924 5.6	5,221 6.0	-	-	-
4. Mining	3,010 -2.5	2,964 -1.5	2,906 -2.0	2,929 0.8	2,875 -1.9	-	-	-
5. Utilities	10,238 0.5	10,614 3.7	10,419 -1.8	10,566 1.4	10,776 2.0	-	-	-
6. Electric Power	8,337 0.1	8,574 2.8	8,513 -0.7	8,540 0.3	8,641 1.2	-	-	-
7. Natural Gas, Water and Other	1,901 2.2	2,040 7.4	1,906 -6.6	2,027 6.3	2,135 5.4	-	-	-
8. Construction	20,700 3.1	20,521 -0.9	20,810 1.4	21,084 1.3	21,381 1.4	-	-	-
9. Residential Buildings	7,989 7.4	7,912 -1.0	8,283 4.7	8,172 -1.3	8,381 2.6	-	-	-
10. Non-Residential Buildings and Engineering	12,712 0.6	12,609 -0.8	12,526 -0.7	12,912 3.1	13,000 0.7	-	-	-
11. Manufacturing	82,685 4.6	83,924 1.5	84,672 0.9	84,116 -0.7	84,839 0.9	-	-	-
12. Food, Beverage, & Tobacco Products	10,406 0.9	10,296 -1.1	10,252 -0.4	10,129 -1.2	10,200 0.7	-	-	-
13. Textile, Clothing, & Leather Products	1,707 10.1	1,693 -0.8	1,685 -0.5	1,691 0.4	1,623 -4.0	-	-	-
14. Wood Products and Furniture	4,254 5.5	4,238 -0.4	4,415 4.2	4,425 0.2	4,482 1.3	-	-	-
15. Paper Products and Printing	5,439 0.8	5,502 1.2	5,406 -1.8	5,311 -1.8	5,358 0.9	-	-	-
16. Chemical and Petroleum Products	7,802 5.3	8,048 3.1	8,246 2.5	8,423 2.1	8,401 -0.3	-	-	-
17. Plastic and Rubber Products	5,812 8.9	5,932 2.1	5,914 -0.3	5,945 0.5	6,085 2.4	-	-	-
18. Primary Metal & Fabricated Metal Products	11,945 4.0	12,194 2.1	12,034 -1.3	11,908 -1.0	12,136 1.9	-	-	-
19. Machinery	5,078 2.7	5,213 2.7	5,238 0.5	5,598 6.9	5,381 -3.9	-	-	-

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted at annual rates, millions of dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
20. Electrical and Electronic Products	8,400 9.7	8,564 2.0	8,178 -4.5	8,032 -1.8	8,241 2.6	-	-	-
21. Transportation Equipment	18,813 4.8	19,223 2.2	20,142 4.8	19,450 -3.4	19,649 1.0	-	-	-
22. Auto Industry (Vehicles & Parts)	16,765 4.0	17,342 3.4	18,221 5.1	17,702 -2.8	17,873 1.0	-	-	-
23. Other Transportation Equipment	2,048 11.9	1,881 -8.2	1,921 2.1	1,748 -9.0	1,777 1.7	-	-	-
24. Non-metallic Mineral Products & Other Manufacturing	3,029 3.2	3,021 -0.2	3,162 4.6	3,205 1.4	3,284 2.5	-	-	-
25. Services Producing Industries	284,448 1.3	288,025 1.3	290,927 1.0	292,728 0.6	293,975 0.4	-	-	-
26. Wholesale Trade	26,863 2.9	27,867 3.7	28,108 0.9	29,014 3.2	29,554 1.9	-	-	-
27. Retail Trade	22,682 2.8	22,523 -0.7	22,631 0.5	23,065 1.9	23,269 0.9	-	-	-
28. Transportation and Warehousing	15,692 0.9	15,831 0.9	15,809 -0.1	15,691 -0.7	15,738 0.3	-	-	-
29. Information & Culture (including Telecommunications)	19,464 1.7	19,604 0.7	19,754 0.8	19,840 0.4	19,976 0.7	-	-	-
30. Finance, Insurance, Real Estate, Rental & Leasing	87,533 0.9	89,038 1.7	89,071 0.0	88,871 -0.2	88,684 -0.2	-	-	-
31. Professional and Administrative Services	31,562 1.5	31,962 1.3	32,480 1.6	32,728 0.8	32,928 0.6	-	-	-
32. Education	17,495 0.2	17,757 1.5	17,882 0.7	17,921 0.2	17,925 0.0	-	-	-
33. Health Care and Social Services	22,399 1.1	22,626 1.0	22,751 0.6	22,857 0.5	23,051 0.8	-	-	-
34. Arts, Entertainment & Recreation	3,621 0.8	3,879 7.1	3,812 -1.7	3,856 1.1	3,881 0.6	-	-	-
35. Accommodation and Food	8,521 2.2	8,603 1.0	8,682 0.9	8,709 0.3	8,500 -2.4	-	-	-
36. Other Services	8,618 1.4	8,731 1.3	8,948 2.5	8,961 0.2	8,941 -0.2	-	-	-
37. Public Administration	19,998 -0.8	19,605 -2.0	20,998 7.1	21,216 1.0	21,528 1.5	-	-	-
38. Total Production	405,143 2.0 8.1	410,437 1.3 5.3	414,398 1.0 3.9	416,348 0.5 1.9	419,066 0.7 2.6	-	-	-

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of dollars

	1999	2000	2001	2002
1. Goods Producing Industries	117,676 7.6	122,260 3.9	118,019 -3.5	122,549 3.8
2. Primary	7,762 7.9	7,632 -1.7	7,244 -5.1	7,462 3.0
3. Agriculture, Forestry, Fishing & Hunting	4,835 8.7	4,762 -1.5	4,289 -9.9	4,510 5.2
4. Mining	2,927 6.5	2,870 -1.9	2,956 3.0	2,952 -0.1
5. Utilities	9,858 1.4	10,262 4.1	10,187 -0.7	10,460 2.7
6. Electric Power	8,006 1.5	8,324 4.0	8,294 -0.4	8,491 2.4
7. Natural Gas, Water and Other	1,851 1.1	1,938 4.7	1,894 -2.3	1,969 3.9
8. Construction	17,683 13.3	18,485 4.5	19,490 5.4	20,779 6.6
9. Residential Buildings	6,774 16.0	7,233 6.8	7,355 1.7	8,089 10.0
10. Non-Residential Buildings and Engineering	10,909 11.7	11,252 3.1	12,135 7.8	12,690 4.6
11. Manufacturing	82,374 7.2	85,881 4.3	81,098 -5.6	83,849 3.4
12. Food, Beverage, & Tobacco Products	9,428 -1.6	9,652 2.4	10,253 6.2	10,270 0.2
13. Textile, Clothing, & Leather Products	1,794 -8.8	1,731 -3.6	1,598 -7.7	1,694 6.0
14. Wood Products and Furniture	3,904 0.2	4,397 12.6	4,217 -4.1	4,333 2.7
15. Paper Products and Printing	5,582 0.4	5,585 0.1	5,419 -3.0	5,415 -0.1
16. Chemical and Petroleum Products	7,389 4.2	7,420 0.4	7,448 0.4	8,130 9.2
17. Plastic and Rubber Products	5,016 10.3	5,210 3.9	5,358 2.9	5,901 10.1
18. Primary Metal & Fabricated Metal Products	11,221 5.2	11,615 3.5	11,296 -2.7	12,021 6.4
19. Machinery	5,502 -3.7	5,483 -0.4	5,017 -8.5	5,282 5.3

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of dollars

	1999	2000	2001	2002
20. Electrical and Electronic Products	8,880 22.8	11,849 33.4	9,393 -20.7	8,294 -11.7
21. Transportation Equipment	20,302 17.5	19,770 -2.6	18,067 -8.6	19,407 7.4
22. Auto Industry (Vehicles & Parts)	17,843 20.4	17,723 -0.7	16,178 -8.7	17,508 8.2
23. Other Transportation Equipment	2,459 0.4	2,047 -16.7	1,889 -7.7	1,899 0.5
24. Non-metallic Mineral Products & Other Manufacturing	3,356 0.6	3,170 -5.5	3,031 -4.4	3,104 2.4
25. Services Producing Industries	256,089 7.6	269,393 5.2	278,452 3.4	289,032 3.8
26. Wholesale Trade	24,424 12.1	26,011 6.5	26,329 1.2	27,963 6.2
27. Retail Trade	19,769 8.6	21,073 6.6	21,609 2.5	22,725 5.2
28. Transportation and Warehousing	15,341 7.1	16,035 4.5	15,700 -2.1	15,756 0.4
29. Information & Culture (including Telecommunications)	14,716 21.3	16,712 13.6	18,429 10.3	19,665 6.7
30. Finance, Insurance, Real Estate, Rental & Leasing	78,873 6.4	82,450 4.5	85,489 3.7	88,628 3.7
31. Professional and Administrative Services	26,626 13.1	29,222 9.7	31,027 6.2	32,183 3.7
32. Education	17,503 1.9	17,430 -0.4	17,489 0.3	17,764 1.6
33. Health Care and Social Services	20,617 3.7	21,076 2.2	21,712 3.0	22,658 4.4
34. Arts, Entertainment & Recreation	3,373 7.4	3,599 6.7	3,638 1.1	3,792 4.2
35. Accommodation and Food	8,079 6.7	8,287 2.6	8,492 2.5	8,629 1.6
36. Other Services	8,184 6.1	8,339 1.9	8,587 3.0	8,815 2.6
37. Public Administration	18,584 0.8	19,159 3.1	19,952 4.1	20,454 2.5
38. Total Production	373,766 7.6	391,653 4.8	396,471 1.2	411,582 3.8

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ISSN 0828-3877

CAZON
TR17
-B75

November 2003

**Ontario
Ministry
of Finance**

**Second
Quarter
of 2003**
(April, May, June)

Ontario Economic Accounts



November 2003
Second Quarter of 2003
(April, May, June)

Ontario Economic Accounts



Ontario Ministry of Finance

For further information on the Ontario Economic Accounts, please contact:

David West
(416) 325-0778
email - david.west@fin.gov.on.ca

Harvey Bradley
(416) 325-0773
email - harvey.bradley@fin.gov.on.ca

Jacques Marcil
(416) 325-0761
email - jacques.marcil@fin.gov.on.ca

Ministry of Finance
Macroeconomic Analysis & Policy Branch
Current Analysis Unit
95 Grosvenor St., 6th Fl. Frost Bldg. N.
Toronto, ON M7A 1Z1

This document is also available on the Internet at
<http://www.gov.on.ca/FIN/english/enghome.htm>

Ce document est disponible en français.

Table of Contents

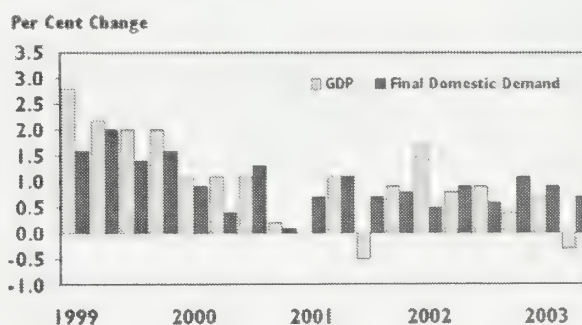
Highlights	1
Demand and Incomes	3
Ontario Production By Industry	6
Ontario Economic Accounts: Summary 1999:1-2003:2	12
List of Tables	15

2007-12-1 2007

HIGHLIGHTS

- ❑ Ontario's **real Gross Domestic Product (GDP)** fell 0.3% (-1.1% annualized) in the second quarter of 2003, following a 0.7% gain in the previous quarter. This was the first decline in real growth since the third quarter of 2001. The weaker second quarter Ontario economy was partly a reflection of the combined impacts of severe acute respiratory syndrome (SARS), mad cow disease, and a stronger Canadian dollar.
- ❑ A slowdown in inventory investment and a decline in the net trade balance accounted for the decline in the second quarter. Modest gains in household and business spending including a solid rebound in housing investment were the primary areas of growth. Spending in these areas pushed **final domestic demand** up 0.7% (+2.8% annualized).
- ❑ **Real consumer spending** grew by 0.5% in the second quarter, decelerating from the stronger 1.0% first quarter pace. The weaker growth in personal expenditures was attributable in part, to the impact of SARS and the war in Iraq which severely reduced demand for transportation and restaurant and accommodation services. Reduced new motor vehicle sales and a drop in energy consumption also dampened overall consumer spending in the second quarter.
- ❑ Businesses accumulated **inventories** at a significantly slower pace in the second quarter, acquiring \$4.4 billion in new stocks compared to \$8.6 billion in the first quarter of 2003. The \$4.2 billion drop in the pace of inventory build-up was largely concentrated in wholesale and retail stocks. In particular, motor vehicle inventory accumulation slowed significantly from the first quarter.
- ❑ **Residential construction** rebounded by a strong 2.3% in the second quarter, after declining 0.7% in the first quarter of the year. Higher spending on renovations and transaction costs, including real estate commissions, along with a more modest increase in new construction propelled the increase.
- ❑ Business **plant and equipment investment** rose 0.5% in the second quarter, following a stronger 1.8% first quarter gain. Both machinery and equipment investment (+0.6%) and non-residential construction (+0.1%) advanced.

Ontario Real GDP Growth Slips in Second Quarter



- Ontario's **real exports** rebounded 0.9% in the second quarter, after declining in the previous two quarters. Stronger auto exports led the way as second quarter U.S. car sales jumped 2.4%. Partially offsetting this gain was a drop in service exports, as travel services were hard hit by the SARS outbreak. With **real imports** advancing by a more robust 1.3%, net exports continued to be a drag on economic growth in the second quarter.
- In current dollars, **nominal GDP** was unchanged in the second quarter of 2003, following the 1.7% (6.8% annualized) advance in the first quarter. Prices as measured by the GDP implicit price index rose by a modest 0.2%, down from a 0.9% increase in the first quarter.

ONTARIO ECONOMIC ACCOUNTS: HIGHLIGHTS

(% change from previous period)

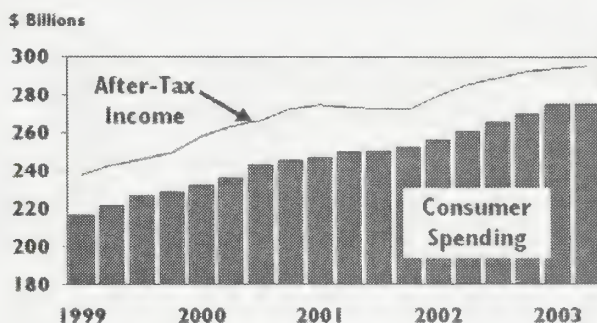
	2001	2002	2002:3	2002:4	2003:1	2003:2
Real GDP (Chained \$ 1997)	1.8	3.6	0.9	0.4	0.7	-0.3
(annualized rate on second line)			3.8	1.5	3.0	-1.1
Personal spending	2.4	3.6	0.7	1.5	1.0	0.5
Government spending	4.9	4.2	0.9	0.9	0.7	0.9
Residential construction	9.2	9.6	1.9	0.6	-0.7	2.3
Non-residential construction	-6.4	-4.2	0.1	0.5	1.8	0.1
Machinery & equipment	-0.1	-6.1	-1.7	-1.2	1.8	0.6
Exports	-3.2	2.2	2.5	-1.4	-1.1	0.9
Imports	-5.5	2.9	2.1	1.2	-0.7	1.3
Business inventories (Chained \$1997 billions)	-1.5	2.4	3.2	5.8	8.6	4.4
Nominal GDP (\$ Current)	2.8	5.6	1.8	1.5	1.7	0.0
Corporation profits	-11.5	16.7	11.5	5.4	3.5	-4.0
Personal income	3.6	3.5	1.2	1.2	0.6	0.3
Disposable income	3.1	4.8	1.2	1.3	0.5	0.4
Implicit price index, GDP	1.0	1.9	0.8	1.1	0.9	0.2

DEMAND AND INCOMES

CONSUMER SPENDING GROWTH CONTINUES

Real consumer spending rose 0.5% in the second quarter of 2003, the slowest rate of growth in almost two years. Consumer spending on services accounted for most of the increase, growing by 0.9%, bolstered by increased purchases of recreational services, communication spending and financial and legal services. These were partially offset by declines in spending on purchased transportation and restaurant and accommodation services which were severely affected by the SARS outbreak and the war in Iraq. There was a marked slowdown in spending on goods which increased only 0.1% in the second quarter. Slower motor vehicle sales and a drop in energy consumption were the main areas of weakness. This was offset by increased purchases of food and non-alcoholic beverages from stores as Ontarians ate out less, and by increased spending on furniture and appliances as the demand for housing remained strong.

Spending Rises as Incomes Grow

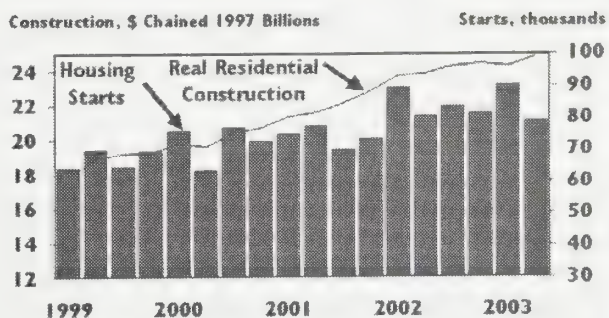


Personal disposable income rose 0.4%, the slowest increase in a year and a half. Labour income, the largest component of household income, slowed to a modest 0.2% gain in the second quarter as employment growth came to an abrupt halt. The Ontario economy lost 1,000 jobs, following a gain of 61,000 jobs in the first quarter. Ontario's **savings rate** edged up to 4.7% in the second quarter, from 4.4% in the first quarter, as disposable income growth outpaced the growth of consumer spending.

HOUSING MARKET REBOUNDS

Residential construction rebounded by a strong 2.3% in the second quarter, after declining 0.7% in the first quarter of 2003. Healthy gains occurred in renovations and transaction costs, including real estate commissions, while spending on new construction also improved, but at a more modest rate. Second quarter new construction activity reflected the strong first quarter performance of housing starts (+10.9%).

Housing Investment



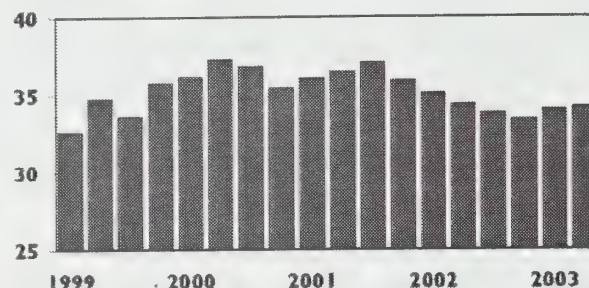
BUSINESS INVESTMENT GROWTH SLOWS WHILE PROFITS DECLINE

Business investment growth slowed to 0.5% in the second quarter, from 1.8% in the first quarter of 2003. Machinery and equipment investment was up 0.6%, after posting a 1.8% gain in the first quarter while non-residential construction activity was virtually flat with spending up 0.1% following a robust 1.8% first quarter advance.

Ontario pre-tax corporate profits fell by 4.0% in the second quarter, the first decline since the last quarter of 2001. The decline was driven by weakness in the manufacturing, retail trade, and transportation and warehousing industries. Partially offsetting these declines were stronger profits in the financial sector.

Machinery and Equipment Investment Up in Second Quarter

\$ Chained 1997 Billions

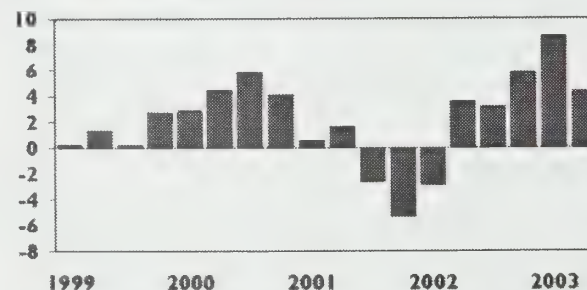


INVENTORY LEVELS RISE AT SLOWER PACE

Ontario businesses built up inventories at a slower pace in the second quarter, adding \$4.4 billion to real total business stocks, about half the level accumulated in the first quarter when inventories increased by \$8.6 billion. The \$4.2 billion drop in the pace of inventory build-up was largely concentrated in wholesale and retail stocks. In particular, motor vehicle inventory accumulation slowed significantly from the first quarter.

Inventory Accumulation Slows in Second Quarter

\$ Chained 1997 Billions

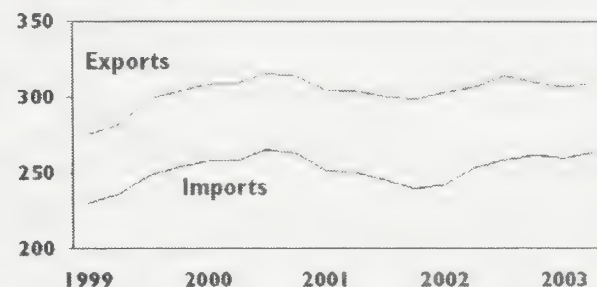


EXPORTS AND IMPORTS REBOUND IN SECOND QUARTER

Ontario **real exports**, (which include both international and interprovincial exports) rebounded 0.9% in the second quarter, after declining in the previous two quarters. Stronger U.S. growth in the second quarter of 3.3% which was more than double the first quarter's 1.4% rate, helped boost Ontario exports. In particular, exports of automotive goods grew by 1.0% as second quarter U.S. car sales jumped 2.4%. Partially offsetting the gain in goods exports was a drop in service exports, especially travel services which were hard hit by the SARS outbreak.

Exports and Imports Rebound in Second Quarter

\$ Chained 1997 Billions



Ontario **real imports** increased 1.3% in the second quarter, after falling 0.7% in the first quarter.

With imports advancing faster than exports, net trade was a drag on economic growth in the second quarter, reducing real GDP by almost \$680 million.

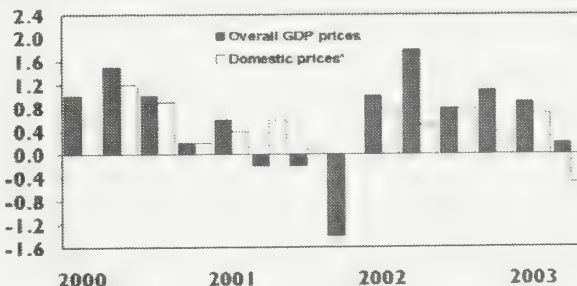
GDP INFLATION EASES IN SECOND QUARTER

Average prices, as measured by the GDP implicit price index, rose by a modest 0.2% in the second quarter of 2003 following a 0.9% increase in the first quarter of 2003.

Contributing to the modest rate of inflation, were declines in the price deflators for consumption (-0.5%) and machinery and equipment investment (-3.5%). Price declines in both these categories reflected the strong 8.0% appreciation of the Canadian dollar against the U.S. dollar in the second quarter. Higher prices were recorded for residential construction (+0.8%) which reflected, the strong demand for new homes. Export (-3.5%) and import (-5.2%) prices both fell in the second quarter, the result of weaker prices for manufactured and semi-manufactured goods and the impact of the appreciation in the Canadian dollar.

GDP Price Rises Modestly

Per Cent Change



*Final domestic demand deflator.

ONTARIO PRODUCTION BY INDUSTRY

INDUSTRIAL PRODUCTION IN THE SECOND QUARTER OF 2003

Industrial output fell 0.2% in the second quarter (-0.9% annualized), following a 0.6% gain in the first quarter. The second quarter's decline is the first negative quarter for Ontario industrial output since the third quarter of 2001.

Despite the noticeable effects of the SARS crisis on several industries, the service sector still managed to grow 0.3% in the second quarter. However, this was the weakest performance since the third quarter of 2001 for services. The most significant losses took place in the accommodation and food (-5.9%) and retail (-0.5%) sectors, while there were offsetting gains in the financial (+1.3%) and information (+1.4%) industries.

The modest gain in services was not enough to offset a 1.4% drop in goods-producing industries, as manufacturing output fell 1.9% while the utilities industry declined 5.2%.

ONTARIO OUTPUT BY SECTOR

(% change from previous period, \$ 1997)

	2001	2002	2002:3	2002:4	2003:1	2003:2
Goods Sector	-3.1	3.5	1.2	0.4	0.9	-1.4
Primary Industries	-3.8	1.3	2.2	3.1	2.6	1.9
Manufacturing	-5.6	3.8	2.0	0.3	0.6	-1.9
Of which: Auto Industry	-9.3	7.9	5.4	-2.7	1.0	-2.1
Construction	8.7	2.9	-1.0	-1.1	0.8	1.2
Utilities	-0.8	3.3	-2.2	1.3	1.6	-5.2
Service Sector	3.3	3.8	1.0	0.7	0.5	0.3
Transportation and Warehousing	-1.7	1.6	0.1	-0.5	0.3	-2.2
Wholesale and Retail Trade	1.7	6.2	1.0	3.0	1.5	0.0
Finance, Insurance and Real Estate	4.3	4.1	0.3	0.1	-0.1	1.3
Information and Cultural Industries	7.1	5.6	0.7	0.3	0.9	1.4
Public Administration	3.9	1.9	6.4	0.7	1.5	-0.2
Ontario Output at Basic Prices (\$1997)	1.2	3.7	1.1	0.6	0.6	-0.2
(annualized rate on second line)			4.4	2.3	2.5	-0.9

Notes:

- Real output by sector is measured as gross domestic product at basic prices using Laspeyres' price indices. A switch to the chain Fisher method of price deflation will be implemented with the release of the Third Quarter, 2003 Ontario Economic Accounts.

MANUFACTURING DECLINES

Manufacturing activity fell 1.9% in the second quarter, after advancing 0.6% in the first quarter. The drop was the most pronounced decline since the fourth quarter of 2001.

The auto industry faced declining sales in the second quarter and as a result reduced production by 2.1%. Although auto assembly rose by more than 2%, growth showed signs of slowing down towards the end of the quarter as manufacturers still held large stocks of unsold 2003-model vehicles. Auto parts manufacturing fell 4.4% in the second quarter due to a drop in U.S.-based auto assembly.

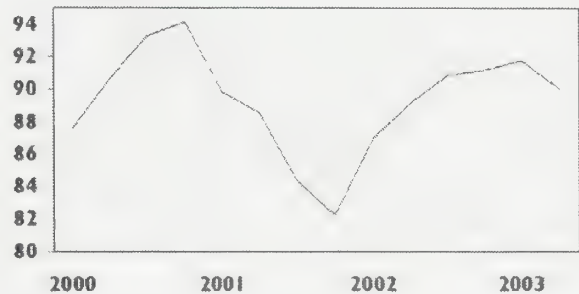
Lower auto sector activity contributed to reduced demand for primary and fabricated metal output (-2.8%), as well as for plastic and rubber products (-5.2%).

The machinery industry was another area of manufacturing weakness in the second quarter, as lower exports resulted in a 4.0% decline in output following the 6.4% decrease in the first quarter.

One of the few areas of strength was the non-metallic mineral products industry, which grew by 2.1% as a result of strong construction activity.

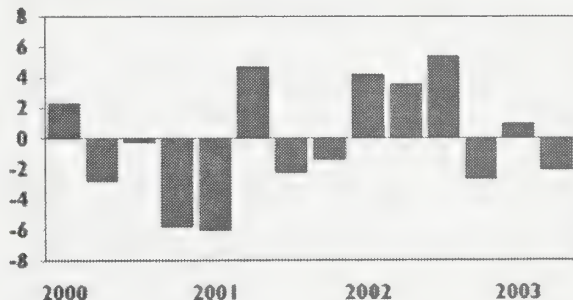
Total Manufacturing Output

\$ 1997 Billions



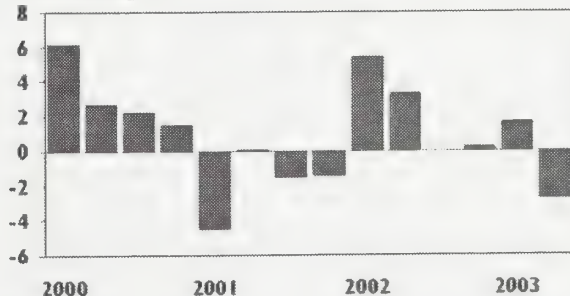
Auto Industry Output

Per Cent Change



Primary Metal & Fabricated Metal Products Output

Per Cent Change



SARS OUTBREAK CURBS ONTARIO ECONOMY IN THE SECOND QUARTER

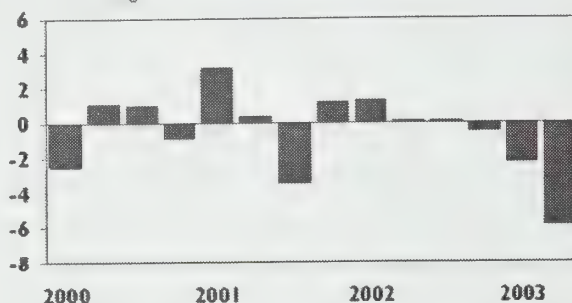
The SARS outbreak, which lasted from the end of March to mid-June, had a widespread impact on Ontario's economy. Activity in the accommodation and restaurant sector fell 5.9% as travel to Toronto was curtailed. Hotel occupancy rates in downtown Toronto fell 25 percentage points below normal levels for the season.

In addition to the decline in visitors, local residents curtailed their shopping and entertainment activities. The arts and entertainment sector in Ontario recorded growth of 1.6% compared with 4.2% in the rest of Canada. Retail activity fell 0.5% even though grocery store sales rose as many people chose to substitute meals at home for restaurant outings.

Production in the health and social services sector slipped 0.2% in the second quarter. While the fight against SARS mobilized additional resources, this was more than offset by a drop in activity as many health care workers were placed on quarantine, and most non-emergency procedures were postponed.

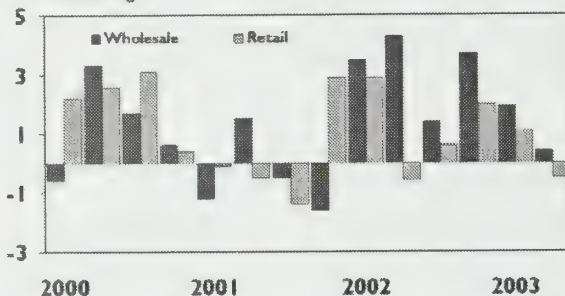
Accommodation and Food Services

Per Cent Change



Wholesale and Retail Trade Output

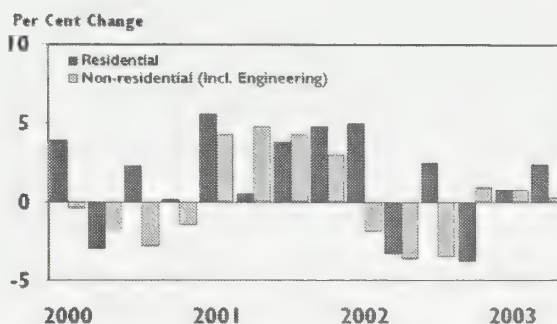
Per Cent Change



CONSTRUCTION GAINS CONTINUE

Construction output grew 1.2% in the second quarter after advancing 0.8% in the first quarter. With mortgage rates still at historic low levels, residential construction rose 2.4% in the second quarter on the momentum of a 10.9% jump in housing starts in the previous quarter. Non-residential and engineering construction rose 0.3% following a 0.8% gain in the first quarter.

Construction Output

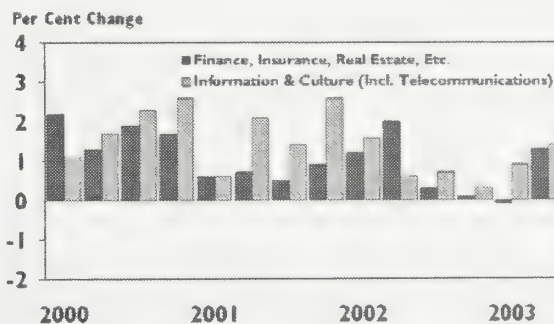


FINANCE AND COMMUNICATIONS

Activity in the finance, insurance and real estate sector advanced 1.3% in the second quarter, reflecting the recovery of the stock markets and a 4.9% jump in housing resales.

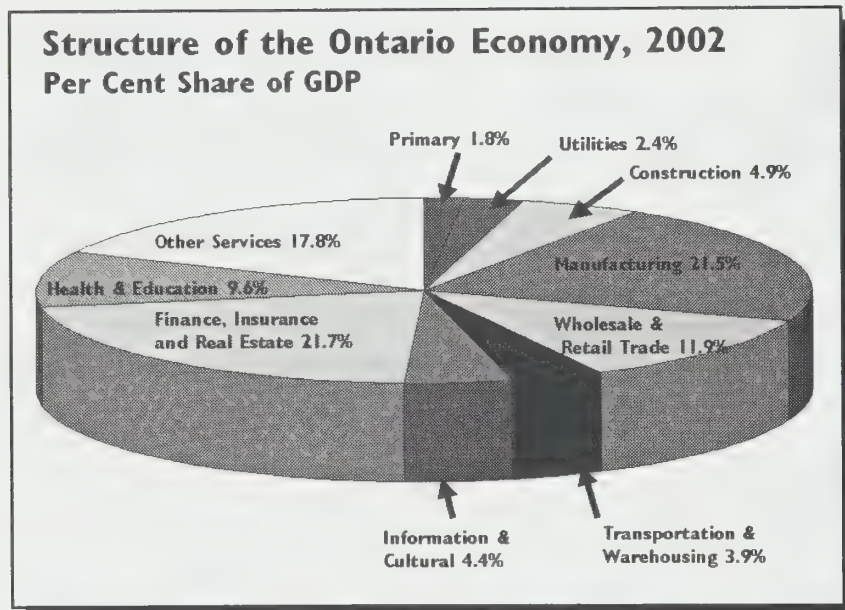
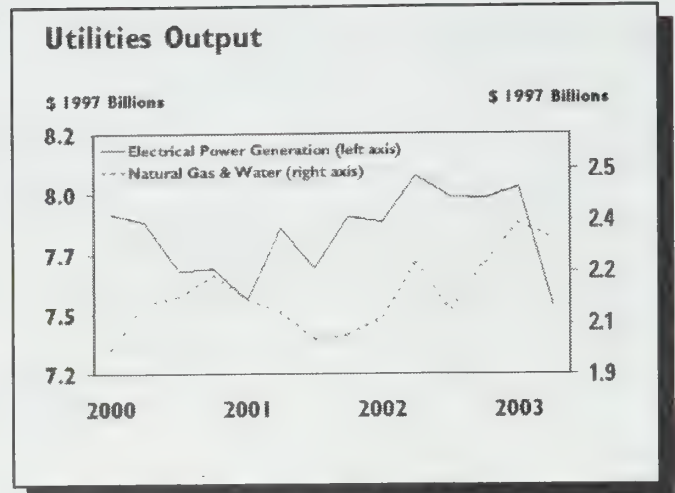
Output of the information and cultural sector (which includes telecommunications) advanced 1.4% in the second quarter, the best performance in this sector in over a year.

Finance and Communications Output



UTILITIES OUTPUT DECLINES

Production constraints at Ontario generating facilities combined with lower demand due to reduced manufacturing activity and a return to more seasonable weather in the spring quarter resulted in a 5.2% drop in utilities output. This was concentrated in the electric power generation and distribution industry (-6.2%).

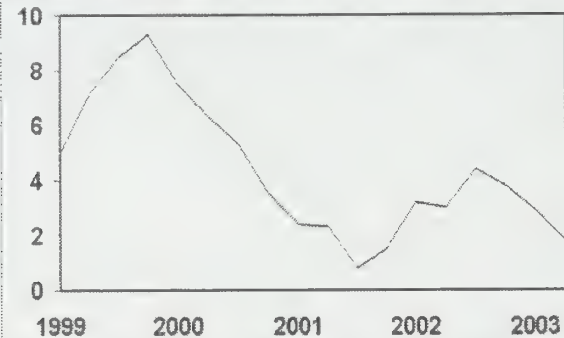


ONTARIO ECONOMIC ACCOUNTS: SUMMARY

(1999:1 - 2003:2)

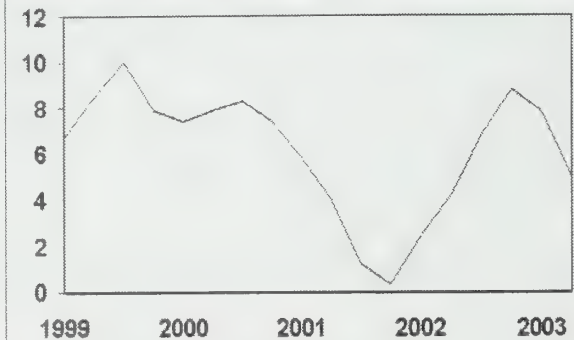
Gross Domestic Product (Chained \$ 1997)

Per Cent Change, Year-Over-Year



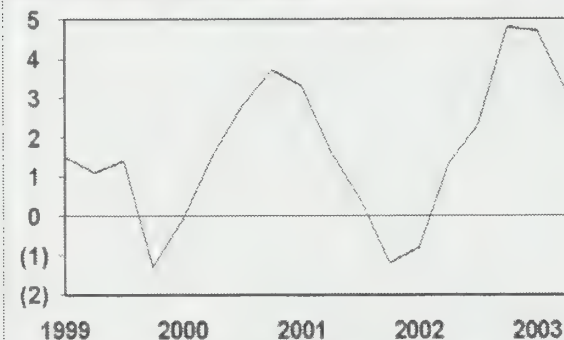
Gross Domestic Product (\$ Current)

Per Cent Change, Year-Over-Year



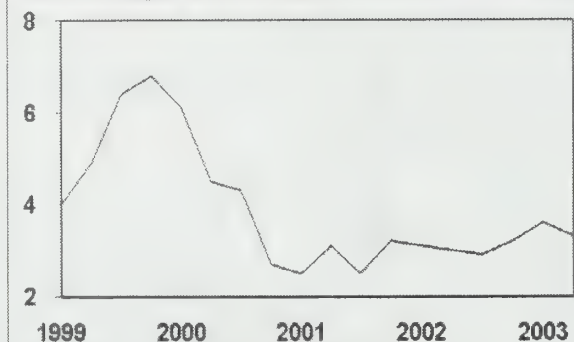
GDP Deflator (1997 = 100)

Per Cent Change, Year-Over-Year



Final Domestic Demand (Chained \$ 1997)

Per Cent Change, Year-Over-Year



Personal Income (\$ Current)

Per Cent Change, Year-Over-Year



Personal Disposable Income (\$ Current)

Per Cent Change, Year-Over-Year

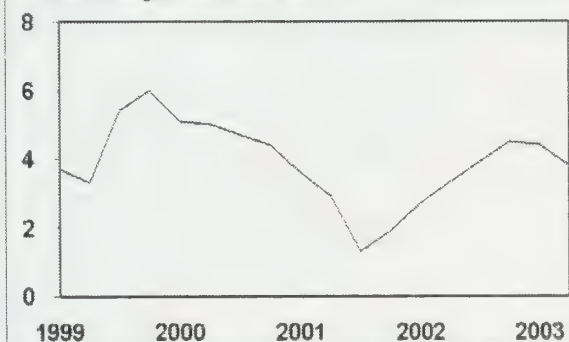


ONTARIO ECONOMIC ACCOUNTS: SUMMARY

(1999:1 - 2003:2)

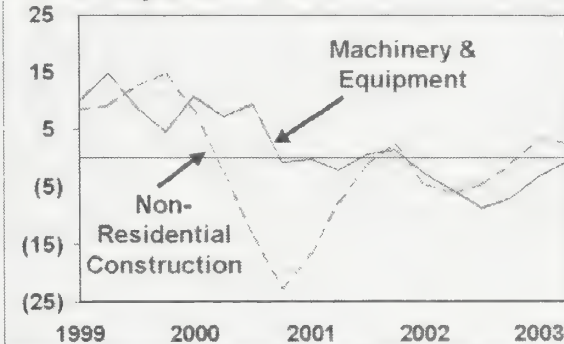
Consumer Spending (Chained \$ 1997)

Per Cent Change, Year-Over-Year



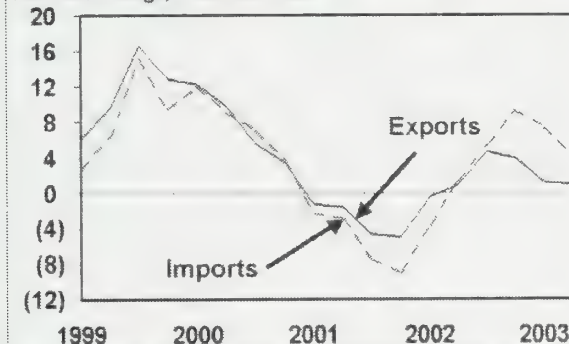
Business Plant & Equipment (Chained \$ 1997)

Per Cent Change, Year-Over-Year



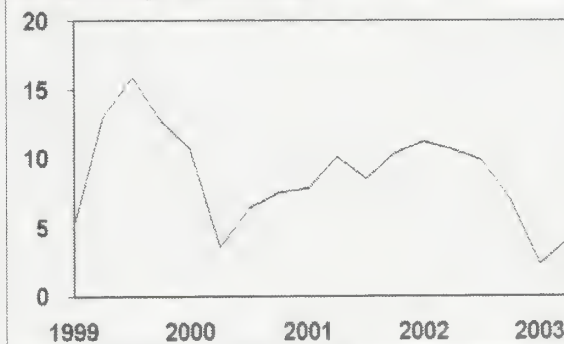
Trade (Chained \$ 1997)

Per Cent Change, Year-Over-Year



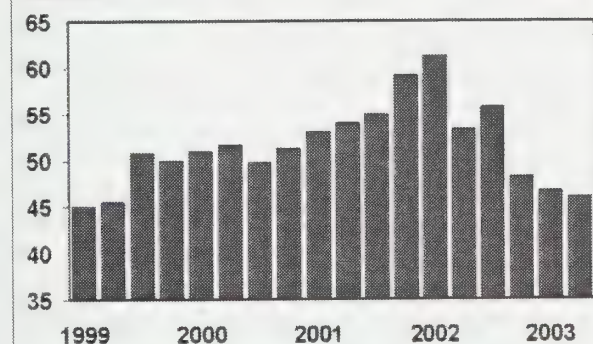
Residential Construction (Chained \$ 1997)

Per Cent Change, Year-Over-Year



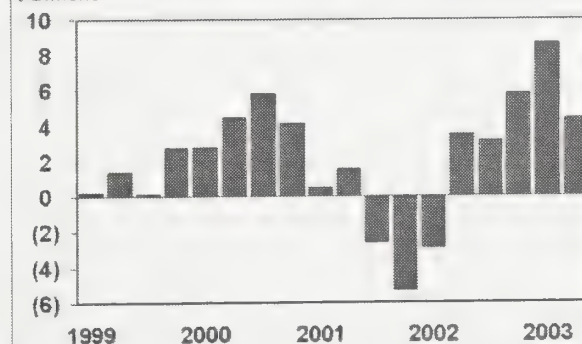
Net Exports (Chained \$ 1997)

\$ Billions



Change in Inventories (Chained \$ 1997)

\$ Billions



LIST OF TABLES

INCOME AND EXPENDITURE DATA

Quarterly Data, 2000:1–2003:2

Table 1: Ontario Gross Domestic Product (Income-Based)	16
Table 2: Ontario Gross Domestic Product (Expenditure-Based)	18
Table 3: Ontario Gross Domestic Product at Chained 1997 Prices	20
Table 4: Sources and Disposition of Ontario Personal Income	22
Table 5: Ontario Trade	24
Table 6: Ontario Deflators	26

Annual Data, 1999–2002

Table 7: Ontario Gross Domestic Product (Income-Based)	28
Table 8: Ontario Gross Domestic Product (Expenditure-Based)	29
Table 9: Ontario Gross Domestic Product at Chained 1997 Prices	30
Table 10: Sources and Disposition of Ontario Personal Income	31
Table 11: Ontario Trade	32
Table 12: Ontario Deflators	33

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

Table 13: Quarterly Data, 2000:1–2003:2	34
Table 14: Annual Data, 1999–2002	38

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED**TABLE 1***Seasonally adjusted data at annual rates, millions of dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Wages, salaries and supplementary labour income (domestic basis)	226,862 2.6	233,269 2.8	236,562 1.4	238,811 1.0	241,107 1.0	242,377 0.5	243,431 0.4	244,838 0.6
2. Corporation profits before taxes	51,707 -0.1	53,365 3.2	55,544 4.1	58,669 5.6	54,634 -6.9	53,713 -1.7	45,711 -14.9	40,007 -12.5
3. Interest and miscellaneous investment income	17,798 9.1	18,302 2.8	18,540 1.3	16,972 -8.5	17,772 4.7	17,269 -2.8	16,579 -4.0	16,428 -0.9
4. Accrued net income of farm operators from farm production	330 4.8	250 -24.2	145 -42.0	156 7.6	355 127.6	420 18.3	580 38.1	529 -8.8
5. Net income of non-farm unincorporated business, including rent	26,637 1.3	27,232 2.2	27,686 1.7	28,593 3.3	27,932 -2.3	28,611 2.4	28,927 1.1	29,710 2.7
6. Inventory valuation adjustment	-1,210	-701	945	-2,370	-501	130	387	240
7. Indirect taxes less subsidies	56,245 -1.1	56,481 0.4	57,310 1.5	57,664 0.6	56,318 -2.3	58,669 4.2	60,675 3.4	61,498 1.4
8. Capital consumption allowances	49,265 4.4	51,494 4.5	52,650 2.2	53,111 0.9	55,640 4.8	54,483 -2.1	54,425 -0.1	54,341 -0.2
9. Statistical discrepancy	-340	-1,193	-1,822	-2,125	-1,317	156	2,244	3,377
10. Gross Domestic Product at market prices	427,295 2.1 8.6	438,498 2.6 10.9	447,559 2.1 8.5	449,480 0.4 1.7	451,940 0.5 2.2	455,827 0.9 3.5	452,958 -0.6 -2.5	450,968 -0.4 -1.7

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted data at annual rates, millions of dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Wages, salaries and supplementary labour income (domestic basis)	249,156 1.8	252,165 1.2	255,764 1.4	259,174 1.3	260,965 0.7	261,427 0.2	- -	- -
2. Corporation profits before taxes	48,159 20.4	54,167 12.5	60,415 11.5	63,666 5.4	65,896 3.5	63,231 -4.0	- -	- -
3. Interest and miscellaneous investment income	16,730 1.8	17,068 2.0	17,106 0.2	17,244 0.8	17,354 0.6	16,295 -6.1	- -	- -
4. Accrued net income of farm operators from farm production	547 3.4	466 -14.8	547 17.4	532 -2.7	404 -24.1	389 -3.7	- -	- -
5. Net income of non-farm unincorporated business, including rent	30,372 2.2	31,397 3.4	31,579 0.6	31,916 1.1	32,350 1.4	32,599 0.8	- -	- -
6. Inventory valuation adjustment	-1,987	-1,265	-1,952	-1,376	1,020	4,614	-	-
7. Indirect taxes less subsidies	62,317 1.3	62,316 -0.0	61,983 -0.5	61,395 -0.9	61,386 -0.0	60,751 -1.0	- -	- -
8. Capital consumption allowances	55,345 1.8	58,133 5.0	57,872 -0.4	59,670 3.1	60,246 1.0	61,221 1.6	- -	- -
9. Statistical discrepancy	2,332	720	268	-1,496	-735	-1,746	-	-
10. Gross Domestic Product at market prices	462,972 2.7	475,168 2.6	483,583 1.8	490,725 1.5	498,885 1.7	498,781 -0.0	- -	- -
	* 11.1	11.0	7.3	6.0	6.8	-0.1	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted data at annual rates, millions of dollars

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Personal expenditure on consumer goods and services:	233,015 1.8	236,519 1.5	243,313 2.9	245,453 0.9	247,053 0.7	250,279 1.3	250,698 0.2	252,647 0.8
2. Goods	104,870 2.0	106,183 1.3	109,451 3.1	109,884 0.4	110,365 0.4	112,457 1.9	111,511 -0.8	113,359 1.7
3. Services	128,145 1.6	130,336 1.7	133,863 2.7	135,569 1.3	136,688 0.8	137,821 0.8	139,187 1.0	139,288 0.1
4. Government expenditure on goods and services:	79,202 0.8	81,583 3.0	83,287 2.1	83,180 -0.1	83,952 0.9	85,707 2.1	87,625 2.2	89,520 2.2
5. Current expenditure	69,716 0.6	72,299 3.7	73,682 1.9	73,427 -0.3	73,742 0.4	75,241 2.0	76,927 2.2	78,203 1.7
6. Capital expenditure	9,487 2.1	9,284 -2.1	9,605 3.5	9,752 1.5	10,210 4.7	10,466 2.5	10,699 2.2	11,317 5.8
7. Business gross fixed capital formation:	68,821 1.8	69,044 0.3	68,896 -0.2	68,079 -1.2	69,911 2.7	71,568 2.4	72,362 1.1	71,751 -0.8
8. Residential structures	21,272 4.3	20,877 -1.9	22,086 5.8	22,680 2.7	23,427 3.3	23,981 2.4	24,771 3.3	25,933 4.7
9. Non-residential structures	12,452 -1.0	11,768 -5.5	10,931 -7.1	10,497 -4.0	10,924 4.1	11,227 2.8	11,128 -0.9	10,821 -2.8
10. Machinery and equipment	35,097 1.3	36,399 3.7	35,879 -1.4	34,902 -2.7	35,560 1.9	36,360 2.2	36,463 0.3	34,997 -4.0
11. Exports of goods and services	313,868 2.0	316,216 0.7	324,227 2.5	328,437 1.3	320,881 -2.3	319,538 -0.4	312,124 -2.3	305,922 -2.0
12. DEDUCT: Imports of goods and services	269,467 1.5	270,097 0.2	279,103 3.3	281,672 0.9	272,769 -3.2	271,054 -0.6	264,309 -2.5	256,458 -3.0
13. Value of physical change in inventories:	1,531	4,109	5,109	3,815	1,649	185	-3,310	-9,308
14. Non-farm	1,937	4,279	5,379	3,813	1,635	319	-3,075	-9,278
15. Farm	-406	-176	-280	-10	-12	-145	-223	-20
16. Government	-1	6	10	13	26	11	-12	-9
17. Statistical discrepancy	325	1,124	1,830	2,188	1,263	-396	-2,231	-3,107
18. Gross Domestic Product at market prices	427,295 2.1 8.6	438,498 2.6 10.9	447,559 2.1 8.5	449,480 0.4 1.7	451,940 0.5 2.2	455,827 0.9 3.5	452,958 -0.6 -2.5	450,968 -0.4 -1.7
19. Final domestic demand	381,038 1.6	387,147 1.6	395,496 2.2	396,712 0.3	400,915 1.1	407,554 1.7	410,685 0.8	413,918 0.8

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted data at annual rates, millions of dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Personal expenditure on consumer goods and services:	256,641 1.6	260,979 1.7	265,486 1.7	270,551 1.9	275,174 1.7	275,195 0.0	-	-
2. Goods	115,875 2.2	116,742 0.7	119,051 2.0	121,868 2.4	124,210 1.9	122,994 -1.0	-	-
3. Services	140,766 1.1	144,237 2.5	146,435 1.5	148,683 1.5	150,963 1.5	152,201 0.8	-	-
4. Government expenditure on goods and services:	89,851 0.4	91,676 2.0	93,455 1.9	94,911 1.6	95,934 1.1	96,712 0.8	-	-
5. Current expenditure	78,116 -0.1	79,800 2.2	81,360 2.0	82,696 1.6	82,605 -0.1	83,346 0.9	-	-
6. Capital expenditure	11,734 3.7	11,876 1.2	12,095 1.8	12,215 1.0	13,328 9.1	13,366 0.3	-	-
7. Business gross fixed capital formation:	72,959 1.7	72,893 -0.1	72,625 -0.4	72,579 -0.1	73,772 1.6	73,719 -0.1	-	-
8. Residential structures	27,469 5.9	27,685 0.8	28,328 2.3	28,637 1.1	29,241 2.1	30,143 3.1	-	-
9. Non-residential structures	10,669 -1.4	10,850 1.7	10,979 1.2	11,118 1.3	11,472 3.2	11,495 0.2	-	-
10. Machinery and equipment	34,820 -0.5	34,359 -1.3	33,318 -3.0	32,824 -1.5	33,058 0.7	32,080 -3.0	-	-
11. Exports of goods and services	315,880 3.3	320,074 1.3	331,608 3.6	328,214 -1.0	322,766 -1.7	314,260 -2.6	-	-
12. DEDUCT: Imports of goods and services	263,545 2.8	274,233 4.1	282,211 2.9	284,747 0.9	278,328 -2.3	267,453 -3.9	-	-
13. Value of physical change in inventories:	-6,471	4,478	3,026	7,594	8,833	4,602	-	-
14. Non-farm	-6,562	4,072	3,301	6,864	9,044	4,915	-	-
15. Farm	154	349	-184	689	-218	-288	-	-
16. Government	-64	57	-91	41	6	-25	-	-
17. Statistical discrepancy	-2,341	-699	-406	1,623	735	1,746	-	-
18. Gross Domestic Product at market prices	462,972 2.7 11.1	475,168 2.6 11.0	483,583 1.8 7.3	490,725 1.5 6.0	498,885 1.7 6.8	498,781 -0.0 -0.1	-	-
19. Final domestic demand	419,450 1.3	425,548 1.5	431,565 1.4	438,041 1.5	444,879 1.6	445,626 0.2	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 3

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Personal expenditure on consumer goods and services:	222,821 1.1	225,481 1.2	229,447 1.8	230,199 0.3	230,753 0.2	232,008 0.5	232,476 0.2	234,603 0.9
2. Goods	100,911 0.9	101,978 1.1	104,083 2.1	103,351 -0.7	103,162 -0.2	103,945 0.8	103,683 -0.3	106,385 2.6
3. Services	121,981 1.1	123,517 1.3	125,343 1.5	126,699 1.1	127,408 0.6	127,868 0.4	128,546 0.5	128,046 -0.4
4. Government expenditure on goods and services:	77,694 0.6	76,719 -1.3	77,833 1.5	78,998 1.5	79,251 0.3	81,130 2.4	82,325 1.5	83,856 1.9
5. Current expenditure	68,275 0.6	67,461 -1.2	68,328 1.3	69,480 1.7	69,252 -0.3	70,876 2.3	71,807 1.3	72,778 1.4
6. Capital expenditure	9,380 0.6	9,217 -1.7	9,468 2.7	9,475 0.1	9,967 5.2	10,224 2.6	10,492 2.6	11,069 5.5
7. Business gross fixed capital formation:	67,615 0.9	67,531 -0.1	67,058 -0.7	65,396 -2.5	67,118 2.6	67,990 1.3	68,973 1.4	68,363 -0.9
8. Residential structures	19,787 2.8	19,588 -1.0	20,404 4.2	20,697 1.4	21,329 3.1	21,565 1.1	22,133 2.6	22,837 3.2
9. Non-residential structures	11,658 -3.0	10,758 -7.7	9,926 -7.7	9,287 -6.4	9,715 4.6	9,936 2.3	9,806 -1.3	9,519 -2.9
10. Machinery and equipment	36,177 1.2	37,301 3.1	36,825 -1.3	35,465 -3.7	36,091 1.8	36,506 1.1	37,080 1.6	35,951 -3.0
11. Exports of goods and services	308,542 1.6	309,231 0.2	315,366 2.0	314,277 -0.3	304,650 -3.1	304,028 -0.2	300,482 -1.2	298,460 -0.7
12. DEDUCT: Imports of goods and services	257,502 1.5	257,524 0.0	265,516 3.1	262,943 -1.0	251,512 -4.3	249,970 -0.6	245,512 -1.8	239,278 -2.5
13. Value of physical change in inventories:	2,643	4,273	5,480	4,390	596	1,546	-2,745	-5,226
14. Non-farm	2,841	4,436	5,830	4,129	535	1,587	-2,654	-5,332
15. Farm	-212	-194	-392	174	18	-83	-188	22
16. Government	-1	6	10	12	25	11	-11	-9
17. Statistical discrepancy	314	1,084	1,765	2,110	1,206	-378	-2,131	-2,967
18. Gross Domestic Product at market prices	421,895 1.1 4.6	426,557 1.1 4.5	431,061 1.1 4.3	432,016 0.2 0.9	431,961 -0.0 -0.1	436,579 1.1 4.3	434,487 -0.5 -1.9	438,538 0.9 3.8
* 19. Final domestic demand	368,018 0.9	369,637 0.4	374,280 1.3	374,578 0.1	377,067 0.7	381,055 1.1	383,675 0.7	386,747 0.8

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 3

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Personal expenditure on consumer goods and services:	237,028 1.0	239,688 1.1	241,435 0.7	245,105 1.5	247,437 1.0	248,691 0.5	-	-
2. Goods	108,363 1.9	108,197 -0.2	108,700 0.5	111,133 2.2	112,212 1.0	112,298 0.1	-	-
3. Services	128,550 0.4	131,377 2.2	132,666 1.0	133,975 1.0	135,228 0.9	136,389 0.9	-	-
4. Government expenditure on goods and services:	83,481 -0.4	84,895 1.7	85,648 0.9	86,402 0.9	87,018 0.7	87,812 0.9	-	-
5. Current expenditure	72,121 -0.9	73,342 1.7	73,964 0.8	74,577 0.8	74,619 0.1	75,211 0.8	-	-
6. Capital expenditure	11,359 2.6	11,548 1.7	11,675 1.1	11,813 1.2	12,412 5.1	12,617 1.7	-	-
7. Business gross fixed capital formation:	68,242 -0.2	67,829 -0.6	67,800 -0.0	67,634 -0.2	68,176 0.8	68,978 1.2	-	-
8. Residential structures	23,715 3.8	23,848 0.6	24,291 1.9	24,430 0.6	24,267 -0.7	24,817 2.3	-	-
9. Non-residential structures	9,264 -2.7	9,338 0.8	9,349 0.1	9,396 0.5	9,566 1.8	9,577 0.1	-	-
10. Machinery and equipment	35,119 -2.3	34,409 -2.0	33,838 -1.7	33,422 -1.2	34,012 1.8	34,204 0.6	-	-
11. Exports of goods and services	303,173 1.6	306,589 1.1	314,225 2.5	309,905 -1.4	306,535 -1.1	309,322 0.9	-	-
12. DEDUCT: Imports of goods and services	241,854 1.1	253,240 4.7	258,449 2.1	261,642 1.2	259,847 -0.7	263,313 1.3	-	-
13. Value of physical change in inventories:	-2,782	3,917	2,901	6,483	8,664	4,372	-	-
14. Non-farm	-2,930	3,544	3,155	5,807	8,637	4,389	-	-
15. Farm	113	280	-204	578	-118	-149	-	-
16. Government	-61	56	-85	42	6	-24	-	-
17. Statistical discrepancy	-2,234	-667	-388	1,548	676	1,602	-	-
18. Gross Domestic Product at market prices	445,871 1.7 6.9	449,460 0.8 3.3	453,646 0.9 3.8	455,376 0.4 1.5	458,762 0.7 3.0	457,553 -0.3 -1.1	-	-
19. Final domestic demand	388,699 0.5	392,356 0.9	394,827 0.6	399,102 1.1	402,594 0.9	405,432 0.7	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Wages, salaries and supplementary labour income (national basis)	223,193 2.4	229,840 3.0	233,492 1.6	236,176 1.1	238,571 1.0	239,747 0.5	240,545 0.3	240,617 0.0
2. Net income of farm operators from farm production	330 4.8	250 -24.2	145 -42.0	156 7.6	355 127.6	420 18.3	580 38.1	529 -8.8
3. Net income of non-farm unincorporated business, including rent	26,637 1.3	27,232 2.2	27,686 1.7	28,593 3.3	27,932 -2.3	28,611 2.4	28,927 1.1	29,710 2.7
4. Interest, dividends and miscellaneous investment income	46,525 4.4	47,618 2.3	47,657 0.1	48,069 0.9	47,791 -0.6	47,360 -0.9	46,772 -1.2	45,328 -3.1
5. Current transfers from government, corporations and non-residents	42,740 6.9	40,938 -4.2	41,133 0.5	41,301 0.4	44,734 8.3	43,124 -3.6	43,692 1.3	43,787 0.2
6. Equals: Personal income	339,424 3.1	345,878 1.9	350,112 1.2	354,293 1.2	359,384 1.4	359,262 -0.0	360,516 0.3	359,970 -0.2
7. Deduct: Personal direct taxes	59,187 1.5	60,161 1.6	60,832 1.1	58,636 -3.6	60,868 3.8	61,581 1.2	62,863 2.1	62,488 -0.6
8. Other current transfers to government	22,252 4.6	22,520 1.2	22,828 1.4	22,985 0.7	23,807 3.6	24,157 1.5	24,720 2.3	25,117 1.6
9. Equals: Personal disposable income	257,986 3.4	263,197 2.0	266,453 1.2	272,672 2.3	274,709 0.7	273,524 -0.4	272,933 -0.2	272,365 -0.2
10. Deduct: Personal expenditure on consumer goods and services	233,015 1.8	236,519 1.5	243,313 2.9	245,453 0.9	247,053 0.7	250,279 1.3	250,698 0.2	252,647 0.8
11. Current transfers to corporations	4,393 1.8	4,737 7.8	4,866 2.7	5,112 5.1	4,999 -2.2	5,202 4.1	4,935 -5.1	4,756 -3.6
12. Current transfers to non-residents	655 -3.0	664 1.4	676 1.8	685 1.3	720 5.1	774 7.5	805 4.0	817 1.5
13. Equals: Personal saving	19,922 27.7	21,277 6.8	17,598 -17.3	21,423 21.7	21,938 2.4	17,269 -21.3	16,495 -4.5	14,146 -14.2
14. Personal saving rate (percent)	7.7	8.1	6.6	7.9	8.0	6.3	6.0	5.2
15. Real personal disposable income * (millions of chained (1997) dollars)	246,699 2.7	250,914 1.7	251,268 0.1	255,727 1.8	256,586 0.3	253,557 -1.2	253,095 -0.2	252,913 -0.1
16. Population (thousands)	11,579 0.2	11,623 0.4	11,685 0.5	11,751 0.6	11,774 0.2	11,828 0.5	11,898 0.6	11,963 0.5
17. Personal disposable income per capita (dollars)	22,281 3.2	22,644 1.6	22,802 0.7	23,205 1.8	23,331 0.5	23,124 -0.9	22,940 -0.8	22,767 -0.8
18. Real personal disposable income per capita (chained (1997) dollars)	21,306 2.5	21,587 1.3	21,503 -0.4	21,763 1.2	21,792 0.1	21,436 -1.6	21,273 -0.8	21,141 -0.6

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Wages, salaries and supplementary labour income (national basis)	245,475 2.0	248,762 1.3	252,696 1.6	256,428 1.5	258,200 0.7	258,658 0.2	-	-
2. Net income of farm operators from farm production	547 3.4	466 -14.8	547 17.4	532 -2.7	404 -24.1	389 -3.7	-	-
3. Net income of non-farm unincorporated business, including rent	30,372 2.2	31,397 3.4	31,579 0.6	31,916 1.1	32,350 1.4	32,599 0.8	-	-
4. Interest, dividends and miscellaneous investment income	44,557 -1.7	44,375 -0.4	43,904 -1.1	43,271 -1.4	43,343 0.2	43,206 -0.3	-	-
5. Current transfers from government, corporations and non-residents	45,105 3.0	45,234 0.3	45,797 1.2	46,815 2.2	47,054 0.5	47,455 0.9	-	-
6. Equals: Personal income	366,056 1.7	370,234 1.1	374,524 1.2	378,962 1.2	381,352 0.6	382,307 0.3	-	-
7. Deduct: Personal direct taxes	61,043 -2.3	58,938 -3.4	59,650 1.2	60,305 1.1	60,785 0.8	60,448 -0.6	-	-
8. Other current transfers to government	25,545 1.7	25,746 0.8	26,035 1.1	26,123 0.3	26,597 1.8	26,731 0.5	-	-
9. Equals: Personal disposable income	279,469 2.6	285,550 2.2	288,838 1.2	292,535 1.3	293,970 0.5	295,128 0.4	-	-
10. Deduct: Personal expenditure on consumer goods and services	256,641 1.6	260,979 1.7	265,486 1.7	270,551 1.9	275,174 1.7	275,195 0.0	-	-
11. Current transfers to corporations	4,612 -3.0	4,462 -3.3	4,726 5.9	4,880 3.3	5,052 3.5	5,056 0.1	-	-
12. Current transfers to non-residents	773 -5.4	828 7.1	827 -0.1	839 1.5	801 -4.5	853 6.5	-	-
13. Equals: Personal saving	17,442 23.3	19,281 10.5	17,800 -7.7	16,265 -8.6	12,942 -20.4	13,944 7.7	-	-
14. Personal saving rate (percent)	6.2	6.8	6.2	5.6	4.4	4.7	-	-
15. Real personal disposable income * (millions of chained (1997) dollars)	258,112 2.1	262,254 1.6	262,672 0.2	265,022 0.9	264,339 -0.3	266,704 0.9	-	-
16. Population (thousands)	11,982 0.2	12,032 0.4	12,097 0.5	12,145 0.4	12,157 0.1	12,193 0.3	-	-
17. Personal disposable income per capita (dollars)	23,323 2.4	23,732 1.8	23,878 0.6	24,086 0.9	24,182 0.4	24,204 0.1	-	-
18. Real personal disposable income per capita (chained (1997) dollars)	21,541 1.9	21,796 1.2	21,715 -0.4	21,821 0.5	21,745 -0.3	21,873 0.6	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 5***Seasonally adjusted data at annual rates, millions of dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Exports of goods and services	313,868 2.0	316,216 0.7	324,227 2.5	328,437 1.3	320,881 -2.3	319,538 -0.4	312,124 -2.3	305,922 -2.0
2. Of which: International	233,150 2.7	234,894 0.7	236,739 0.8	242,085 2.3	235,128 -2.9	234,285 -0.4	228,059 -2.7	225,456 -1.1
3. Of which: Interprovincial	80,718 0.2	81,322 0.7	87,488 7.6	86,352 -1.3	85,754 -0.7	85,252 -0.6	84,064 -1.4	80,466 -4.3
4. Imports of goods and services	269,467 1.5	270,097 0.2	279,103 3.3	281,672 0.9	272,769 -3.2	271,054 -0.6	264,309 -2.5	256,458 -3.0
5. Trade balance	44,401	46,119	45,124	46,765	48,113	48,484	47,815	49,464

Note: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE

TABLE 5

Seasonally adjusted data at annual rates, millions of dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Exports of goods and services	315,880 3.3	320,074 1.3	331,608 3.6	328,214 -1.0	322,766 -1.7	314,260 -2.6	-	-
2. Of which: International	231,748 2.8	232,674 0.4	240,429 3.3	233,530 -2.9	227,999 -2.4	221,974 -2.6	-	-
3. Of which: Interprovincial	84,132 4.6	87,401 3.9	91,179 4.3	94,684 3.8	94,768 0.1	92,285 -2.6	-	-
4. Imports of goods and services	263,545 2.8	274,233 4.1	282,211 2.9	284,747 0.9	278,328 -2.3	267,453 -3.9	-	-
5. Trade balance	52,334	45,841	49,397	43,467	44,438	46,807	-	-

Note: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

Using seasonally adjusted data, chained (1997) dollars

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Personal expenditure on consumer goods and services:	104.6 0.7	104.9 0.3	106.0 1.1	106.6 0.5	107.1 0.4	107.9 0.8	107.8 -0.0	107.7 -0.1
2. Goods	103.9 1.0	104.1 0.2	105.2 1.0	106.3 1.1	107.0 0.6	108.2 1.1	107.5 -0.6	106.6 -0.9
3. Services	105.1 0.5	105.5 0.4	106.8 1.2	107.0 0.2	107.3 0.3	107.8 0.5	108.3 0.5	108.8 0.5
4. Government expenditure on goods and services:	101.9 0.2	106.3 4.3	107.0 0.6	105.3 -1.6	105.9 0.6	105.6 -0.3	106.4 0.8	106.8 0.3
5. Current expenditure	102.1 0.0	107.2 5.0	107.8 0.6	105.7 -2.0	106.5 0.8	106.2 -0.3	107.1 0.9	107.5 0.3
6. Capital expenditure	101.1 1.4	100.7 -0.4	101.5 0.7	102.9 1.5	102.4 -0.5	102.4 -0.1	102.0 -0.4	102.2 0.3
7. Business gross fixed capital formation:	101.8 0.9	102.2 0.4	102.7 0.5	104.1 1.3	104.2 0.1	105.3 1.1	104.9 -0.3	105.0 0.0
8. Residential structures	107.5 1.4	106.6 -0.9	108.2 1.6	109.6 1.2	109.8 0.2	111.2 1.2	111.9 0.6	113.6 1.5
9. Non-residential structures	106.8 2.0	109.4 2.4	110.1 0.7	113.0 2.6	112.4 -0.5	113.0 0.5	113.5 0.4	113.7 0.2
10. Machinery and equipment	97.0 0.2	97.6 0.6	97.4 -0.2	98.4 1.0	98.5 0.1	99.6 1.1	98.3 -1.3	97.3 -1.0
11. Exports of goods and services	101.7 0.4	102.3 0.5	102.8 0.5	104.5 1.6	105.3 0.8	105.1 -0.2	103.9 -1.2	102.5 -1.3
12. DEDUCT: Imports of goods and services	104.6 0.1	104.9 0.2	105.1 0.2	107.1 1.9	108.5 1.2	108.4 -0.0	107.7 -0.7	107.2 -0.4
13. Gross Domestic Product at market prices	101.3 1.0 3.9	102.8 1.5 6.1	103.8 1.0 4.1	104.0 0.2 0.8	104.6 0.6 2.3	104.4 -0.2 -0.8	104.3 -0.2 -0.6	102.8 -1.4 -5.3
* 14. Final domestic demand	103.5 0.6	104.7 1.2	105.7 0.9	105.9 0.2	106.3 0.4	107.0 0.6	107.0 0.1	107.0 -0.0

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

Using seasonally adjusted data, chained (1997) dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Personal expenditure on consumer goods and services:	108.3 0.5	108.9 0.6	110.0 1.0	110.4 0.4	111.2 0.7	110.7 -0.5	-	-
2. Goods	106.9 0.4	107.9 0.9	109.5 1.5	109.7 0.1	110.7 0.9	109.5 -1.1	-	-
3. Services	109.5 0.7	109.8 0.3	110.4 0.5	111.0 0.5	111.6 0.6	111.6 -0.0	-	-
4. Government expenditure on goods and services:	107.6 0.8	108.0 0.3	109.1 1.0	109.8 0.7	110.2 0.4	110.1 -0.1	-	-
5. Current expenditure	108.3 0.8	108.8 0.5	110.0 1.1	110.9 0.8	110.7 -0.2	110.8 0.1	-	-
6. Capital expenditure	103.3 1.0	102.8 -0.4	103.6 0.7	103.4 -0.2	107.4 3.9	105.9 -1.3	-	-
7. Business gross fixed capital formation:	106.9 1.9	107.5 0.5	107.1 -0.3	107.3 0.2	108.2 0.8	106.9 -1.2	-	-
8. Residential structures	115.8 2.0	116.1 0.2	116.6 0.5	117.2 0.5	120.5 2.8	121.5 0.8	-	-
9. Non-residential structures	115.2 1.3	116.2 0.9	117.4 1.1	118.3 0.8	119.9 1.4	120.0 0.1	-	-
10. Machinery and equipment	99.2 1.9	99.9 0.7	98.5 -1.4	98.2 -0.3	97.2 -1.0	93.8 -3.5	-	-
11. Exports of goods and services	104.2 1.6	104.4 0.2	105.5 1.1	105.9 0.4	105.3 -0.6	101.6 -3.5	-	-
12. DEDUCT: Imports of goods and services	109.0 1.7	108.3 -0.6	109.2 0.8	108.8 -0.3	107.1 -1.6	101.6 -5.2	-	-
13. Gross Domestic Product at market prices	103.8 1.0 4.0	105.7 1.8 7.5	106.6 0.8 3.4	107.8 1.1 4.4	108.7 0.9 3.7	109.0 0.2 1.0	-	-
14. Final domestic demand	107.9 0.8	108.5 0.5	109.3 0.8	109.8 0.4	110.5 0.7	109.9 -0.5	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 7

Millions of dollars

	1999	2000	2001	2002
1. Wages, salaries and supplementary labour income (domestic basis)	214,520 7.3	233,876 9.0	242,938 3.9	254,065 4.6
2. Corporation profits before taxes	49,738 25.9	54,821 10.2	48,516 -11.5	56,602 16.7
3. Interest and miscellaneous investment income	16,936 -1.1	17,903 5.7	17,012 -5.0	17,037 0.1
4. Accrued net income of farm operators from farm production	232 -1.3	220 -5.1	471 113.8	523 11.0
5. Net income of non-farm unincorporated business, including rent	25,553 6.2	27,537 7.8	28,795 4.6	31,316 8.8
6. Inventory valuation adjustment	-972	-834	64	-1,645
7. Indirect taxes less subsidies	54,934 6.8	56,925 3.6	59,290 4.2	62,003 4.6
8. Capital consumption allowances	48,180 4.9	51,630 7.2	54,722 6.0	57,755 5.5
9. Statistical discrepancy	-101	-1,370	1,115	456
10. Gross Domestic Product at market prices	409,020 8.2	440,708 7.7	452,923 2.8	478,112 5.6

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 8

Millions of dollars

	1999	2000	2001	2002
1. Personal expenditure on consumer goods and services:	223,556 6.5	239,575 7.2	250,169 4.4	263,414 5.3
2. Goods	100,232 7.9	107,597 7.3	111,923 4.0	118,384 5.8
3. Services	123,324 5.4	131,978 7.0	138,246 4.7	145,030 4.9
4. Government expenditure on goods and services:	76,478 4.7	81,813 7.0	86,701 6.0	92,473 6.7
5. Current expenditure	67,665 3.1	72,281 6.8	76,028 5.2	80,493 5.9
6. Capital expenditure	8,813 19.4	9,532 8.2	10,673 12.0	11,980 12.2
7. Business gross fixed capital formation:	65,305 9.9	68,710 5.2	71,398 3.9	72,764 1.9
8. Residential structures	19,738 14.6	21,729 10.1	24,528 12.9	28,030 14.3
9. Non-residential structures	11,821 13.9	11,412 -3.5	11,025 -3.4	10,904 -1.1
10. Machinery and equipment	33,746 6.0	35,569 5.4	35,845 0.8	33,830 -5.6
11. Exports of goods and services	292,317 10.9	320,687 9.7	314,616 -1.9	323,944 3.0
12. DEDUCT: Imports of goods and services	249,065 8.5	275,085 10.4	266,147 -3.2	276,184 3.8
13. Value of physical change in inventories:	326	3,641	-2,696	2,157
14. Non-farm	436	3,852	-2,600	1,919
15. Farm	-109	-218	-100	252
16. Government	-1	7	4	-14
17. Statistical discrepancy	103	1,367	-1,118	-456
18. Gross Domestic Product at market prices	409,020 8.2	440,708 7.7	452,923 2.8	478,112 5.6
19. Final domestic demand	365,339 6.7	390,098 6.8	408,268 4.7	428,651 5.0

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 9
Millions of chained (1997) dollars

	1999	2000	2001	2002
1. Personal expenditure on consumer goods and services:	216,622 4.6	226,987 4.8	232,460 2.4	240,814 3.6
2. Goods	97,888 6.0	102,581 4.8	104,294 1.7	109,098 4.6
3. Services	118,827 3.6	124,385 4.7	127,967 2.9	131,642 2.9
4. Government expenditure on goods and services:	75,098 4.4	77,811 3.6	81,640 4.9	85,106 4.2
5. Current expenditure	66,158 2.4	68,386 3.4	71,178 4.1	73,501 3.3
6. Capital expenditure	8,899 21.0	9,385 5.5	10,438 11.2	11,599 11.1
7. Business gross fixed capital formation:	64,350 10.4	66,900 4.0	68,111 1.8	67,876 -0.3
8. Residential structures	18,807 11.6	20,119 7.0	21,966 9.2	24,071 9.6
9. Non-residential structures	11,325 11.3	10,407 -8.1	9,744 -6.4	9,337 -4.2
10. Machinery and equipment	34,210 9.4	36,442 6.5	36,407 -0.1	34,197 -6.1
11. Exports of goods and services	289,805 11.3	311,854 7.6	301,905 -3.2	308,473 2.2
12. DEDUCT: Imports of goods and services	241,940 8.4	260,871 7.8	246,568 -5.5	253,796 2.9
13. Value of physical change in inventories:	1,122	4,196	-1,457	2,630
14. Non-farm	1,140	4,309	-1,466	2,394
15. Farm	-20	-156	-58	192
16. Government	-1	7	4	-12
17. Statistical discrepancy	100	1,318	-1,068	-435
18. Gross Domestic Product at market prices	405,034 7.5	427,882 5.6	435,391 1.8	451,088 3.6
19. Final domestic demand	355,996 5.5	371,628 4.4	382,136 2.8	393,746 3.0

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 10

Millions of dollars

	1999	2000	2001	2002
1. Wages, salaries and supplementary labour income (national basis)	211,776 7.3	230,675 8.9	239,870 4.0	250,840 4.6
2. Net income of farm operators from farm production	232 -1.3	220 -5.1	471 113.8	523 11.0
3. Net income of non-farm unincorporated business, including rent	25,553 6.2	27,537 7.8	28,795 4.6	31,316 8.8
4. Interest, dividends and miscellaneous investment income	44,568 2.6	47,467 6.5	46,813 -1.4	44,027 -6.0
5. Current transfers from government, corporations and non-residents	39,573 -0.0	41,528 4.9	43,834 5.6	45,738 4.3
6. Equals: Personal income	321,702 5.6	347,427 8.0	359,783 3.6	372,444 3.5
7. Deduct: Personal direct taxes	56,961 6.2	59,704 4.8	61,950 3.8	59,984 -3.2
8. Other current transfers to government	20,605 5.4	22,646 9.9	24,450 8.0	25,862 5.8
9. Equals: Personal disposable income	244,136 5.5	265,077 8.6	273,383 3.1	286,598 4.8
10. Deduct: Personal expenditure on consumer goods and services	223,556 6.5	239,575 7.2	250,169 4.4	263,414 5.3
11. Current transfers to corporations	4,085 15.8	4,777 16.9	4,973 4.1	4,670 -6.1
12. Current transfers to non-residents	650 19.3	670 3.1	779 16.3	817 4.8
13. Equals: Personal saving	15,845 -9.6	20,055 26.6	17,462 -12.9	17,697 1.3
14. Personal saving rate (percent)	6.5	7.6	6.4	6.2
15. Real personal disposable income * (millions of chained (1997) dollars)	236,570 3.6	251,152 6.2	254,038 1.1	262,015 3.1
16. Population (thousands)	11,506 1.0	11,685 1.6	11,898 1.8	12,097 1.7
17. Personal disposable income per capita (dollars)	21,217 4.4	22,685 6.9	22,978 1.3	23,692 3.1
18. Real personal disposable income per capita (chained (1997) dollars)	20,561 2.5	21,495 4.5	21,352 -0.7	21,662 1.5

Notes: Per cent change from previous year is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE*Millions of dollars***TABLE 11**

	1999	2000	2001	2002
1. Exports of goods and services	292,317 10.9	320,687 9.7	314,616 -1.9	323,944 3.0
2. Of which: International	216,844 12.1	236,717 9.2	230,732 -2.5	234,595 1.7
3. Of which: Interprovincial	75,473 7.6	83,970 11.3	83,884 -0.1	89,349 6.5
4. Imports of goods and services	249,065 8.5	275,085 10.4	266,147 -3.2	276,184 3.8
5. Trade balance	43,252	45,602	48,469	47,760

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT**TABLE 12***Using chained (1997) dollars*

	1999	2000	2001	2002
1. Personal expenditure on consumer goods and services:	103.2 1.8	105.5 2.3	107.6 2.0	109.4 1.6
2. <i>Goods</i>	102.4 1.8	104.9 2.4	107.3 2.3	108.5 1.1
3. <i>Services</i>	103.8 1.8	106.1 2.2	108.0 1.8	110.2 2.0
4. Government expenditure on goods and services:	101.8 0.4	105.1 3.2	106.2 1.0	108.6 2.3
5. <i>Current expenditure</i>	102.3 0.7	105.7 3.3	106.8 1.0	109.5 2.5
6. <i>Capital expenditure</i>	99.0 -1.4	101.6 2.6	102.3 0.7	103.3 1.0
7. Business gross fixed capital formation:	101.5 -0.5	102.7 1.2	104.8 2.1	107.2 2.3
8. <i>Residential structures</i>	104.9 2.6	108.0 2.9	111.6 3.4	116.4 4.3
9. <i>Non-residential structures</i>	104.4 2.3	109.8 5.2	113.1 3.0	116.8 3.2
10. <i>Machinery and equipment</i>	98.7 -3.2	97.6 -1.1	98.5 0.9	98.9 0.5
11. Exports of goods and services	100.9 -0.4	102.8 1.9	104.2 1.3	105.0 0.8
12. DEDUCT: Imports of goods and services	102.9 0.1	105.4 2.5	107.9 2.4	108.8 0.8
13. Gross Domestic Product at market prices	101.0 0.7	103.0 2.0	104.0 1.0	106.0 1.9
14. Final domestic demand	102.6 1.1	105.0 2.3	106.8 1.8	108.9 1.9

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Goods Producing Industries	124,033 2.9	126,914 2.3	129,057 1.7	129,765 0.5	126,080 -2.8	125,577 -0.4	121,760 -3.0	120,625 -0.9
2. Primary	7,838 -1.2	7,958 1.5	7,813 -1.8	7,734 -1.0	7,677 -0.7	7,606 -0.9	7,438 -2.2	7,438 -0.0
3. Agriculture, Forestry, Fishing & Hunting	4,792 -2.7	4,865 1.5	4,689 -3.6	4,602 -1.8	4,490 -2.4	4,431 -1.3	4,246 -4.2	4,166 -1.9
4. Mining	3,045 1.1	3,093 1.6	3,124 1.0	3,131 0.2	3,187 1.8	3,174 -0.4	3,192 0.5	3,271 2.5
5. Utilities	9,841 -0.9	9,939 1.0	9,755 -1.8	9,826 0.7	9,626 -2.0	9,892 2.8	9,643 -2.5	9,868 2.3
6. Electric Power	7,868 -2.6	7,832 -0.5	7,631 -2.6	7,637 0.1	7,509 -1.7	7,809 4.0	7,641 -2.2	7,854 2.8
7. Natural Gas, Water and Other	1,972 6.3	2,106 6.8	2,124 0.9	2,189 3.1	2,117 -3.3	2,083 -1.6	2,002 -3.9	2,014 0.6
8. Construction	18,790 1.2	18,373 -2.2	18,220 -0.8	18,071 -0.8	18,944 4.8	19,521 3.0	20,329 4.1	21,086 3.7
9. Residential Buildings	7,228 3.9	7,014 -3.0	7,177 2.3	7,193 0.2	7,596 5.6	7,630 0.5	7,924 3.8	8,304 4.8
10. Non-Residential Buildings and Engineering	11,562 -0.4	11,360 -1.7	11,043 -2.8	10,879 -1.5	11,348 4.3	11,891 4.8	12,406 4.3	12,782 3.0
11. Manufacturing	87,565 4.1	90,643 3.5	93,269 2.9	94,134 0.9	89,833 -4.6	88,558 -1.4	84,349 -4.8	82,233 -2.5
12. Food, Beverage, & Tobacco Products	9,354 -0.9	9,382 0.3	9,287 -1.0	9,474 2.0	9,771 3.1	9,907 1.4	9,965 0.6	10,083 1.2
13. Textile, Clothing, & Leather Products	1,986 7.8	2,165 9.0	2,269 4.8	2,425 6.9	2,239 -7.7	2,118 -5.4	1,932 -8.8	1,842 -4.7
14. Wood Products and Furniture	4,251 6.8	4,765 12.1	4,984 4.6	5,092 2.2	4,943 -2.9	4,749 -3.9	4,466 -6.0	4,388 -1.7
15. Paper Products and Printing	5,740 3.5	6,186 7.8	6,496 5.0	6,882 5.9	6,585 -4.3	6,133 -6.9	6,015 -1.9	5,784 -3.8
16. Chemical and Petroleum Products	7,346 -0.7	7,542 2.7	7,966 5.6	8,338 4.7	7,970 -4.4	7,996 0.3	7,495 -6.3	7,433 -0.8
17. Plastic and Rubber Products	5,594 6.8	5,554 -0.7	6,018 8.4	6,232 3.6	6,291 1.0	6,141 -2.4	5,879 -4.3	5,818 -1.0
18. Primary Metal & Fabricated Metal Products	12,360 6.2	12,699 2.7	12,983 2.2	13,180 1.5	12,585 -4.5	12,601 0.1	12,398 -1.6	12,209 -1.5
19. Machinery	6,163 11.0	6,739 9.3	6,730 -0.1	6,760 0.4	6,470 -4.3	6,227 -3.8	5,851 -6.0	5,546 -5.2

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
20. Electrical and Electronic Products	10,237 6.4	11,450 11.8	12,383 8.2	12,590 1.7	10,645 -15.5	9,759 -8.3	8,214 -15.8	7,100 -13.6
21. Transportation Equipment	21,082 2.2	20,527 -2.6	20,122 -2.0	18,940 -5.9	18,207 -3.9	19,106 4.9	18,750 -1.9	18,704 -0.2
22. Auto Industry (Vehicles & Parts)	18,666 2.3	18,150 -2.8	18,094 -0.3	17,042 -5.8	16,000 -6.1	16,758 4.7	16,370 -2.3	16,140 -1.4
23. Other Transportation Equipment	2,416 1.9	2,378 -1.6	2,029 -14.7	1,898 -6.5	2,207 16.3	2,349 6.4	2,381 1.4	2,564 7.7
24. Non-metallic Mineral Products & Other Manufacturing	3,451 6.0	3,635 5.3	4,031 10.9	4,222 4.7	4,126 -2.3	3,820 -7.4	3,386 -11.4	3,326 -1.8
25. Services Producing Industries	263,436 0.6	267,349 1.5	271,916 1.7	274,574 1.0	275,879 0.5	278,014 0.8	278,365 0.1	280,088 0.6
26. Wholesale Trade	25,163 -0.6	25,981 3.3	26,429 1.7	26,583 0.6	26,260 -1.2	26,667 1.5	26,541 -0.5	26,123 -1.6
27. Retail Trade	19,343 2.2	19,838 2.6	20,460 3.1	20,542 0.4	20,531 -0.1	20,424 -0.5	20,134 -1.4	20,715 2.9
28. Transportation and Warehousing	15,997 -2.3	16,142 0.9	16,423 1.7	16,005 -2.5	16,007 0.0	15,839 -1.0	15,792 -0.3	15,839 0.3
29. Information & Culture (including Telecommunications)	15,664 1.1	15,925 1.7	16,290 2.3	16,719 2.6	16,816 0.6	17,161 2.1	17,397 1.4	17,842 2.6
30. Finance, Insurance, Real Estate, Rental & Leasing	81,463 2.2	82,518 1.3	84,081 1.9	85,511 1.7	86,064 0.6	86,697 0.7	87,161 0.5	87,963 0.9
31. Professional and Administrative Services	28,252 0.6	28,712 1.6	29,317 2.1	29,758 1.5	30,080 1.1	30,528 1.5	30,525 -0.0	30,431 -0.3
32. Education	16,807 -1.7	17,135 1.9	17,368 1.4	17,499 0.8	17,463 -0.2	17,384 -0.5	17,406 0.1	17,307 -0.6
33. Health Care and Social Services	20,885 -0.5	20,918 0.2	21,005 0.4	21,031 0.1	21,133 0.5	21,426 1.4	21,799 1.7	22,127 1.5
34. Arts, Entertainment & Recreation	3,573 0.9	3,552 -0.6	3,708 4.4	3,835 3.4	3,827 -0.2	3,744 -2.2	3,696 -1.3	3,687 -0.2
35. Accommodation and Food	8,664 -2.5	8,760 1.1	8,849 1.0	8,765 -0.9	9,044 3.2	9,081 0.4	8,758 -3.5	8,867 1.2
36. Other Services	8,723 0.2	8,764 0.5	8,852 1.0	9,024 2.0	9,134 1.2	9,225 1.0	9,176 -0.5	9,064 -1.2
37. Public Administration	18,901 0.2	19,104 1.1	19,135 0.2	19,302 0.9	19,520 1.1	19,839 1.6	19,980 0.7	20,123 0.7
38. Total Production	387,468 1.3 5.3	394,262 1.8 7.2	400,974 1.7 7.0	404,339 0.8 3.4	401,959 -0.6 -2.3	403,591 0.4 1.6	400,124 -0.9 -3.4	400,712 0.1 0.6

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of dollars*

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Goods Producing Industries	125,475 4.0	127,443 1.6	128,928 1.2	129,383 0.4	130,492 0.9	128,610 -1.4	-	-
2. Primary	7,323 -1.5	7,552 3.1	7,714 2.2	7,950 3.1	8,154 2.6	8,309 1.9	-	-
3. Agriculture, Forestry, Fishing & Hunting	4,132 -0.8	4,407 6.6	4,629 5.0	4,837 4.5	5,126 6.0	5,469 6.7	-	-
4. Mining	3,191 -2.5	3,145 -1.4	3,085 -1.9	3,112 0.9	3,028 -2.7	2,840 -6.2	-	-
5. Utilities	9,900 0.3	10,251 3.5	10,024 -2.2	10,156 1.3	10,318 1.6	9,782 -5.2	-	-
6. Electric Power	7,833 -0.3	8,025 2.5	7,937 -1.1	7,931 -0.1	7,979 0.6	7,485 -6.2	-	-
7. Natural Gas, Water and Other	2,066 2.6	2,225 7.7	2,088 -6.2	2,225 6.6	2,339 5.1	2,297 -1.8	-	-
8. Construction	21,260 0.8	20,522 -3.5	20,314 -1.0	20,090 -1.1	20,253 0.8	20,495 1.2	-	-
9. Residential Buildings	8,715 5.0	8,428 -3.3	8,641 2.5	8,315 -3.8	8,383 0.8	8,587 2.4	-	-
10. Non-Residential Buildings and Engineering	12,545 -1.9	12,094 -3.6	11,673 -3.5	11,775 0.9	11,870 0.8	11,908 0.3	-	-
11. Manufacturing	86,993 5.8	89,119 2.4	90,875 2.0	91,187 0.3	91,766 0.6	90,025 -1.9	-	-
12. Food, Beverage, & Tobacco Products	10,147 0.6	10,012 -1.3	9,936 -0.8	9,787 -1.5	9,843 0.6	9,792 -0.5	-	-
13. Textile, Clothing, & Leather Products	2,084 13.2	2,113 1.4	2,152 1.8	2,214 2.9	2,114 -4.5	2,010 -4.9	-	-
14. Wood Products and Furniture	4,646 5.9	4,651 0.1	4,864 4.6	4,888 0.5	4,997 2.2	4,960 -0.8	-	-
15. Paper Products and Printing	5,966 3.1	6,169 3.4	6,198 0.5	6,233 0.6	6,316 1.3	6,232 -1.3	-	-
16. Chemical and Petroleum Products	7,928 6.7	8,262 4.2	8,546 3.4	8,810 3.1	8,806 -0.0	8,768 -0.4	-	-
17. Plastic and Rubber Products	6,436 10.6	6,670 3.6	6,762 1.4	6,899 2.0	7,048 2.2	6,683 -5.2	-	-
18. Primary Metal & Fabricated Metal Products	12,863 5.4	13,291 3.3	13,285 -0.0	13,315 0.2	13,522 1.6	13,150 -2.8	-	-
19. Machinery	5,832 5.2	6,123 5.0	6,289 2.7	6,832 8.6	6,396 -6.4	6,137 -4.0	-	-

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of dollars*

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
20. Electrical and Electronic Products	8,068 13.6	8,496 5.3	8,415 -1.0	8,555 1.7	8,812 3.0	8,666 -1.7	-	-
21. Transportation Equipment	19,506 4.3	19,742 1.2	20,601 4.3	19,713 -4.3	19,842 0.7	19,471 -1.9	-	-
22. Auto Industry (Vehicles & Parts)	16,811 4.2	17,421 3.6	18,358 5.4	17,857 -2.7	18,039 1.0	17,666 -2.1	-	-
23. Other Transportation Equipment	2,694 5.1	2,321 -13.9	2,243 -3.3	1,856 -17.2	1,803 -2.9	1,805 0.1	-	-
24. Non-metallic Mineral Products & Other Manufacturing	3,516 5.7	3,590 2.1	3,828 6.6	3,940 2.9	4,071 3.3	4,156 2.1	-	-
25. Services Producing Industries	283,774 1.3	287,579 1.3	290,586 1.0	292,517 0.7	293,979 0.5	294,937 0.3	-	-
26. Wholesale Trade	27,043 3.5	28,205 4.3	28,602 1.4	29,666 3.7	30,223 1.9	30,331 0.4	-	-
27. Retail Trade	21,317 2.9	21,183 -0.6	21,300 0.6	21,724 2.0	21,962 1.1	21,857 -0.5	-	-
28. Transportation and Warehousing	16,006 1.1	16,179 1.1	16,189 0.1	16,101 -0.5	16,157 0.3	15,801 -2.2	-	-
29. Information & Culture (including Telecommunications)	18,119 1.6	18,230 0.6	18,351 0.7	18,411 0.3	18,584 0.9	18,844 1.4	-	-
30. Finance, Insurance, Real Estate, Rental & Leasing	88,998 1.2	90,792 2.0	91,090 0.3	91,145 0.1	91,027 -0.1	92,251 1.3	-	-
31. Professional and Administrative Services	30,883 1.5	31,274 1.3	31,788 1.6	32,036 0.8	32,276 0.8	32,683 1.3	-	-
32. Education	17,354 0.3	17,630 1.6	17,770 0.8	17,825 0.3	17,844 0.1	17,863 0.1	-	-
33. Health Care and Social Services	22,240 0.5	22,335 0.4	22,329 -0.0	22,303 -0.1	22,485 0.8	22,445 -0.2	-	-
34. Arts, Entertainment & Recreation	3,718 0.8	3,982 7.1	3,912 -1.8	3,956 1.1	3,990 0.9	4,055 1.6	-	-
35. Accommodation and Food	8,983 1.3	8,992 0.1	8,999 0.1	8,950 -0.5	8,744 -2.3	8,226 -5.9	-	-
36. Other Services	9,188 1.4	9,303 1.3	9,528 2.4	9,537 0.1	9,513 -0.2	9,439 -0.8	-	-
37. Public Administration	19,925 -1.0	19,474 -2.3	20,729 6.4	20,866 0.7	21,175 1.5	21,141 -0.2	-	-
38. Total Production	409,249 2.1 8.8	415,022 1.4 5.8	419,514 1.1 4.4	421,900 0.6 2.3	424,471 0.6 2.5	423,547 -0.2 -0.9	-	-

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of dollars

	1999	2000	2001	2002
1. Goods Producing Industries	118,106 8.2	127,442 7.9	123,510 -3.1	127,807 3.5
2. Primary	7,824 9.0	7,836 0.1	7,540 -3.8	7,635 1.3
3. Agriculture, Forestry, Fishing & Hunting	4,900 10.5	4,737 -3.3	4,334 -8.5	4,502 3.9
4. Mining	2,925 6.4	3,099 5.9	3,206 3.5	3,133 -2.3
5. Utilities	9,807 0.9	9,840 0.3	9,757 -0.8	10,083 3.3
6. Electric Power	7,874 -0.2	7,742 -1.7	7,703 -0.5	7,932 3.0
7. Natural Gas, Water and Other	1,933 5.6	2,098 8.6	2,054 -2.1	2,151 4.7
8. Construction	17,910 14.5	18,364 2.5	19,970 8.7	20,546 2.9
9. Residential Buildings	6,729 15.2	7,153 6.3	7,863 9.9	8,525 8.4
10. Non-Residential Buildings and Engineering	11,180 14.1	11,211 0.3	12,107 8.0	12,022 -0.7
11. Manufacturing	82,565 7.8	91,403 10.7	86,243 -5.6	89,543 3.8
12. Food, Beverage, & Tobacco Products	9,376 -0.6	9,374 -0.0	9,932 5.9	9,970 0.4
13. Textile, Clothing, & Leather Products	1,861 -5.2	2,212 18.8	2,033 -8.1	2,141 5.3
14. Wood Products and Furniture	3,966 1.8	4,773 20.3	4,637 -2.9	4,762 2.7
15. Paper Products and Printing	5,492 -1.6	6,326 15.2	6,129 -3.1	6,142 0.2
16. Chemical and Petroleum Products	7,288 2.8	7,798 7.0	7,724 -1.0	8,386 8.6
17. Plastic and Rubber Products	5,039 10.8	5,849 16.1	6,033 3.1	6,692 10.9
18. Primary Metal & Fabricated Metal Products	11,187 5.3	12,806 14.5	12,448 -2.8	13,189 5.9
19. Machinery	5,574 -1.5	6,598 18.4	6,023 -8.7	6,269 4.1

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of dollars

	1999	2000	2001	2002
20. Electrical and Electronic Products	8,912 23.3	11,665 30.9	8,929 -23.5	8,384 -6.1
21. Transportation Equipment	20,481 18.6	20,168 -1.5	18,692 -7.3	19,890 6.4
22. Auto Industry (Vehicles & Parts)	17,894 20.8	17,988 0.5	16,317 -9.3	17,612 7.9
23. Other Transportation Equipment	2,587 5.6	2,180 -15.7	2,375 8.9	2,279 -4.1
24. Non-metallic Mineral Products & Other Manufacturing	3,389 1.8	3,834 13.1	3,664 -4.4	3,719 1.5
25. Services Producing Industries	255,569 7.4	269,319 5.4	278,087 3.3	288,614 3.8
26. Wholesale Trade	24,323 11.6	26,039 7.1	26,398 1.4	28,379 7.5
27. Retail Trade	18,833 4.8	20,045 6.4	20,451 2.0	21,381 4.5
28. Transportation and Warehousing	15,541 8.5	16,142 3.9	15,869 -1.7	16,119 1.6
29. Information & Culture (including Telecommunications)	14,659 20.8	16,150 10.2	17,304 7.1	18,278 5.6
30. Finance, Insurance, Real Estate, Rental & Leasing	78,442 5.8	83,393 6.3	86,971 4.3	90,506 4.1
31. Professional and Administrative Services	26,852 14.1	29,010 8.0	30,391 4.8	31,495 3.6
32. Education	17,148 -0.5	17,202 0.3	17,390 1.1	17,644 1.5
33. Health Care and Social Services	20,628 3.7	20,960 1.6	21,621 3.2	22,302 3.1
34. Arts, Entertainment & Recreation	3,375 7.5	3,667 8.7	3,739 2.0	3,892 4.1
35. Accommodation and Food	8,608 12.6	8,759 1.8	8,938 2.0	8,981 0.5
36. Other Services	8,467 9.8	8,841 4.4	9,150 3.5	9,389 2.6
37. Public Administration	18,693 1.4	19,111 2.2	19,865 3.9	20,248 1.9
38. Total Production	373,675 7.6	396,761 6.2	401,597 1.2	416,421 3.7

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ISSN 0828-3877

CA20N
TR17
- B75 c.2

Publications

January 2004

**Ontario
Ministry
of Finance**

**Third Quarter
of 2003**
(July, August, September)

Ontario Economic Accounts



January 2004

Third Quarter of 2003

(July, August, September)

Ontario Economic Accounts



Ontario Ministry of Finance

Table of Contents

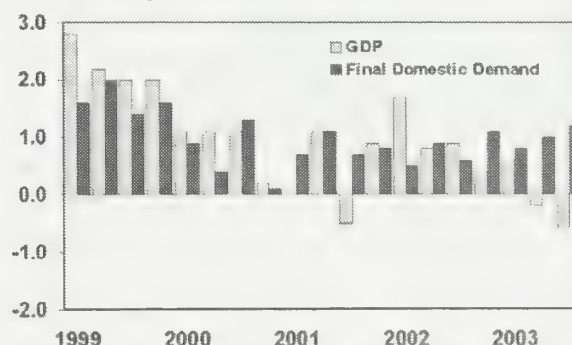
Highlights	1
Demand and Incomes	3
Ontario Production By Industry	7
Ontario Economic Accounts: Summary 1999:1-2003:3	12
List of Tables	15

HIGHLIGHTS

- ❑ Ontario's **real Gross Domestic Product (GDP)** fell 0.6% (-2.5% annualized) in the third quarter of 2003, following a 0.2% decline the previous quarter. The drop in third quarter GDP was due to continued deterioration in Ontario's net exports, a significant run down in business inventories and reduced government activity. The growing impact of the rising Canadian dollar and the pervasive effects of last August's Ontario-US power outage were the main underlying causes of these setbacks.
- ❑ Strong gains in household and business spending, including a surge in machinery and equipment investment, offset some of the third quarter weakness. Spending in these areas helped raise **final domestic demand** 1.2% higher in the third quarter.
- ❑ **Real consumer spending** grew by a solid 1.2% in the third quarter, accelerating from the 0.7% pace of the second quarter. Spending on consumer goods was robust, particularly purchases of big-ticket items such as motor vehicles, furniture and household appliances which benefited from low interest rates, generous sales incentives for automobiles and a strong housing market.
- ❑ **Residential construction** advanced 2.9% in the third quarter, the strongest gain in six quarters. The latest increase extends Ontario's strong housing market performance, which since its beginning in mid-1998 has seen investment increase by over 54%.
- ❑ Business **plant and equipment investment** jumped 4.0% in the third quarter, the strongest gain in over four years. Investment was propelled by strong growth in machinery and equipment spending which advanced 4.8%.
- ❑ Businesses cut **non-farm inventories** by more than \$2.1 billion in the third quarter, reversing the \$4.5 billion build-up in the second quarter and bringing to an end five consecutive quarters of inventory accumulation. The third quarter run-down was largely concentrated in manufacturing and retail stocks. In particular, motor vehicle inventories declined significantly from the second quarter.
- ❑ **Government current activity** fell 0.6% in the third quarter, as both the provincial and federal governments temporarily scaled back operations during last August's power blackout.

Ontario Real GDP Growth Slips in Third Quarter

Per Cent Change



- Ontario's **real exports** fell 2.2% in the third quarter, following a 1.0% increase in the second quarter. In part, the weakness in exports reflected the stronger Canadian dollar which averaged 72.6 cents U.S. in the third quarter, up almost a full cent from its average level in the second quarter and up 14.5% since the end of 2002. The export decline was widespread with machinery and equipment, industrial goods and autos all contributing to the overall weakness. Ontario's **real imports** also declined in the quarter, falling by 2.3%. Although imports declined at a slightly faster pace than exports, the reduction in import volumes was not enough to prevent Ontario's net trade balance from declining in the third quarter, reducing real GDP by over \$600 million.
- In current dollars, **nominal GDP** advanced 0.7% in the third quarter of 2003, following a 0.3% decline in the second quarter. Prices as measured by the GDP implicit price index increased by 1.4% in the third quarter, reversing the second quarter drop of 0.1%.

ONTARIO ECONOMIC ACCOUNTS: HIGHLIGHTS

(% change from previous period)

	2001	2002	2002:4	2003:1	2003:2	2003:3
Real GDP (Chained \$ 1997)	1.8	3.6	0.4	0.6	-0.2	-0.6
(annualized rate on second line)			1.5	2.3	-0.7	-2.5
Personal spending	2.4	3.6	1.5	0.9	0.7	1.2
Government spending	4.9	4.2	0.9	0.7	1.6	-0.6
Residential construction	9.2	9.6	0.6	-1.0	2.6	2.9
Non-residential construction	-6.4	-4.2	0.5	2.2	-0.1	1.2
Machinery & equipment	-0.1	-6.1	-1.2	1.2	0.6	4.8
Exports	-3.2	2.2	-1.4	-0.9	1.0	-2.2
Imports	-5.5	2.9	1.2	-1.2	2.8	-2.3
Business inventories (Chained \$1997 billions)	-1.5	2.4	5.8	6.9	4.5	-2.1
Nominal GDP (\$ Current)	2.8	5.6	1.5	1.6	-0.3	0.7
Corporation profits	-11.5	16.7	5.4	2.3	-4.9	5.2
Personal income	3.6	3.5	1.2	0.5	0.4	0.7
Disposable income	3.1	4.8	1.3	0.8	0.3	0.6
Implicit price index, GDP	1.0	1.9	1.1	1.0	-0.1	1.4

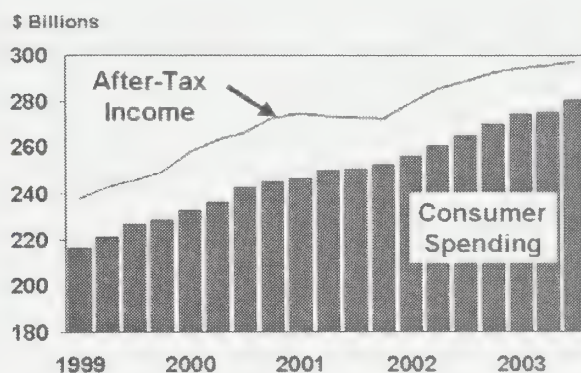
DEMAND AND INCOMES

CONSUMER SPENDING GROWTH ACCELERATES

Real consumer spending grew a solid 1.2% in the third quarter of 2003, up from the 0.7% pace in the second quarter. Goods consumption led the way, growing a robust 1.6%, following anaemic 0.2% growth in the second quarter. Spending on big-ticket durable goods such as autos, furniture and appliances increased strongly, stimulated by continued low interest rates, Ontario's strong housing market and generous sales incentives for vehicles. Spending on services grew by 0.9% in the third quarter, close to the 1.0% average of the last five quarters.

Personal disposable income rose 0.6%, double the second quarter's 0.3% pace but appreciably lower than the 1.8% average quarterly growth throughout 2002. Labour income, the largest component of household income, grew at a moderate 0.4% pace after advancing just 0.1% in the second quarter. Improved job creation in the third quarter contributed to the pick up in labour income growth. Ontario farm income fell by almost 75% in the third quarter due to dramatic declines in prices, a reflection of the lingering impact of the mad-cow disease scare. Although comprising a very small part of personal income, the magnitude of the farm income decline was sufficient to offset some of the growth in labour income. With growth in consumer spending outpacing disposable income growth, Ontario's **savings rate** dropped to an all-time low of 3.6% in the third quarter, a full percentage point below its 4.7% second quarter rate and well below the 6.9% average rate of the past five years.

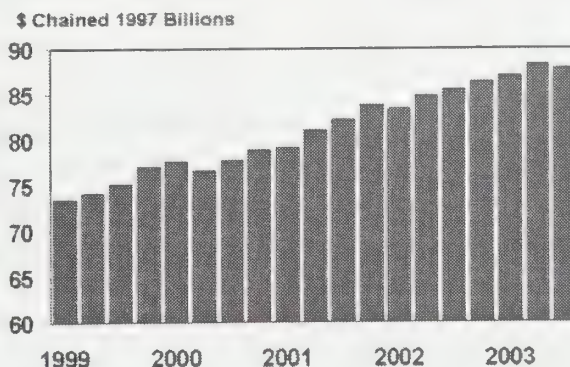
Spending Rises as Incomes Grow



PUBLIC SECTOR OUTPUT FALLS

The impact of the Ontario-U.S. power outage was evident in the third quarter as **real government expenditures on goods and services** fell 0.6%, the first decline since early 2002. The drop in real spending was due to the August blackout. Many federal and provincial government employees were directed not to report to work in order to conserve electricity. In nominal or current dollar terms government spending rose 1.6% as civil servants continued to receive their normal pay. Government **real capital spending** was also lower, falling 0.5%

Government Activity Falls in Third Quarter



in the third quarter.

HOUSING MARKET STRENGTH CONTINUES

Residential construction increased 2.9% in the third quarter, the strongest gain in six quarters. The latest gain extends Ontario's strong housing market performance which began in mid-1998. Real residential investment has risen by more than 54% over this period, benefiting from low interest rates, continuing employment growth and rising incomes. The major driver of the third quarter increase was strong growth in real estate commissions, a reflection of the robust resale housing market.

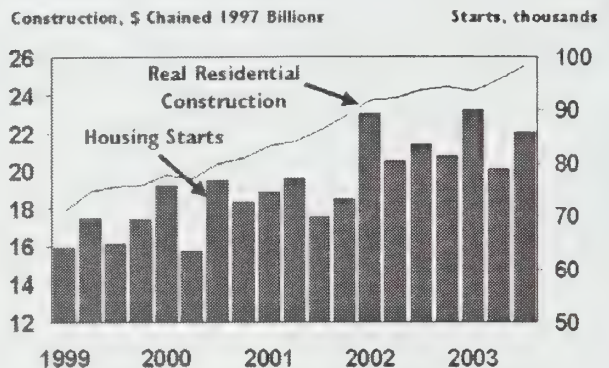
BUSINESS INVESTMENT GROWTH STRONGEST IN FOUR YEARS

Business plant and equipment investment jumped 4.0% in the third quarter, the strongest gain in over four years. Investment was propelled by robust growth in machinery and equipment spending which advanced 4.8%, up from second quarter growth of 0.6%. The advance was led by strong growth in spending on computers and other office equipment and by transportation equipment investment, especially trucks.

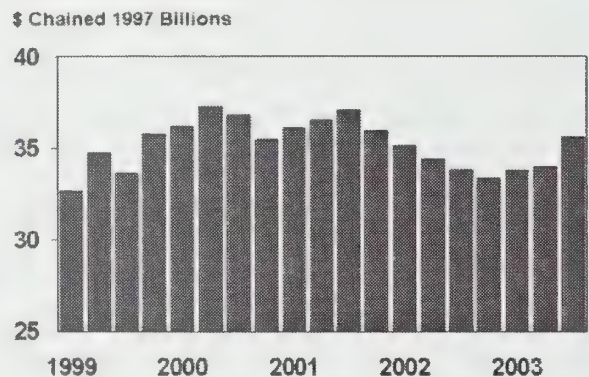
Real non-residential construction also rose in the third quarter, advancing 1.2%, following a 0.1% decline in the second quarter.

Ontario **pre-tax corporate profits** jumped 5.2% in the third quarter, rebounding from a 4.9% decline in the second quarter. The improvement in corporate profits was due, in particular, to better performance in the manufacturing and retailing industries. Chartered banks, real estate brokers, and leasing companies also recorded stronger profits in the third quarter.

Housing Investment Up in Third Quarter



Machinery and Equipment Investment Up in Third Quarter

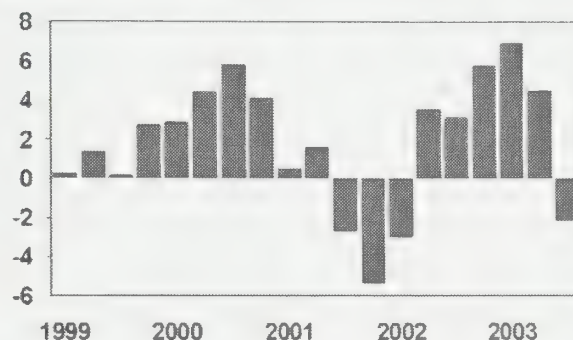


INVENTORY LEVELS CUT SHARPLY IN THIRD QUARTER

Ontario businesses reduced **inventories** sharply in the third quarter, liquidating over \$2.1 billion (\$1997) from real total business stocks following a build-up of \$4.5 billion in the second quarter. The third quarter run-down in inventories, the first in five quarters, was largely concentrated in the manufacturing and retail sectors. In particular, motor vehicle inventories declined significantly as producers lowered production over the summer (partly the result of the August power-outage), while satisfying increased sales from unsold stocks. Similarly, retailers allowed inventories to decline.

Businesses Liquidate Inventories in Third Quarter

\$ Chained 1997 Billions

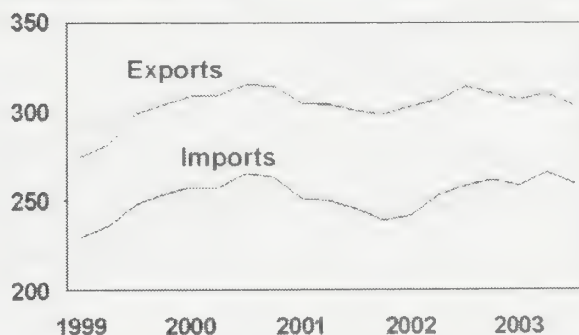


EXPORTS AND IMPORTS DECLINE IN THIRD QUARTER

Hampered by both the stronger Canadian dollar - which averaged 72.6 cents U.S. in the third quarter, up 14.5% since the end of 2002 - and the August blackout, Ontario **real exports**, (which include both international and interprovincial exports) fell 2.2% in the third quarter, following a 1.0% gain in the second quarter. The export decline was widespread as exports of machinery and equipment, industrial goods and autos all fell. Partially offsetting the drop in goods exports was a rise in service exports - especially travel services - which rebounded strongly as the impact of the SARS outbreak in March began to fade.

Exports and Imports Decline in Third Quarter

\$ Chained 1997 Billions



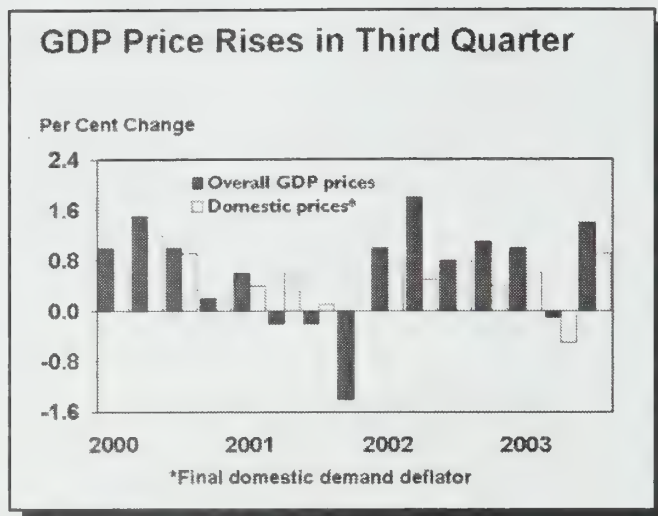
Ontario **real imports** also declined in the third quarter, dropping 2.3% after advancing 2.8% in the second quarter. Declines were spread across most import categories with the biggest reduction occurring in automotive products (mostly vehicles but to a lesser extent parts as well) as strong consumer demand was satisfied by drawing down inventories. These declines were partially offset by increased machinery and equipment imports, reflecting the strength of business investment.

Although imports declined at a slightly faster pace than exports, the reduction in import volumes was not enough to prevent Ontario's net trade surplus from declining in the third quarter, reducing real GDP by over \$600 million.

GDP INFLATION UP IN THIRD QUARTER

Average prices, as measured by the GDP implicit price index increased by 1.4% in the third quarter, reversing the second quarter drop of 0.1%.

The implicit price of current government spending rose 2.2%, in large part reflecting the impact of last August's power outage. Because government output is, for the most part not sold, it is measured in economic accounts by the volume of inputs, primarily hours worked and their cost. The number of hours worked in the quarter was reduced by the blackout while the wage bill paid by governments was not affected.



Residential construction (+2.2%) also contributed to economy-wide price increase as the continued strong demand for homes exerted upward pressure on prices. Higher energy prices were the major contributor to a 0.6% increase in the implicit price for personal expenditures.

Partially offsetting these increases was a 1.0% drop in the machinery and equipment deflator which reflected the continued appreciation of the Canadian-U.S. dollar exchange rate.

The appreciation of the Canadian dollar was also the cause of the 1.1% decline in import prices which fell for the fourth consecutive quarter. Export prices rose a modest 0.5%, mostly the result of higher energy prices which offset lower prices for manufactured and semi-manufactured goods.

ONTARIO PRODUCTION BY INDUSTRY

INDUSTRIAL PRODUCTION IN THE THIRD QUARTER OF 2003

Industrial output fell 0.6% in the third quarter (-2.2% annualized), following a 0.4% decline in the second quarter. This marks the first two consecutive quarterly declines for Ontario industrial output since 1992. Output dropped in both the goods-producing sector (-1.5%) and the services sector (-0.1%).

The August 14th blackout and the energy-saving measures implemented in its wake had significant effects on Ontario's economy and all but eliminated the rebound that might have followed the SARS-related weakness of the second quarter.

The most significant declines took place in manufacturing (-2.5%), wholesale trade (-2.2%) and public administration (-1.7%). Partially offsetting these were gains in the financial industry (+0.8%), health care (+1.2%) and construction (+0.8%).

ONTARIO OUTPUT BY SECTOR

(% change from previous period, chained \$1997)

	2001	2002	2002:4	2003:1	2003:2	2003:3
Goods Sector	-2.8	3.5	0.0	0.9	-1.6	-1.5
Primary Industries	-3.3	2.6	2.7	1.6	1.5	-0.3
Manufacturing	-5.7	3.7	-0.1	0.8	-2.1	-2.5
Of which: Auto Industry	-9.4	7.3	-2.9	0.4	-2.5	-0.1
Construction	8.6	3.1	-1.0	0.7	1.2	0.8
Utilities	-0.3	3.4	1.2	1.9	-6.0	-0.1
Service Sector	3.4	4.0	0.7	0.6	0.1	-0.1
Transportation and Warehousing	-1.0	2.1	-0.5	-0.2	-1.5	-0.5
Wholesale and Retail Trade	1.5	6.4	3.1	1.8	-0.7	-1.0
Finance, Insurance and Real Estate	4.5	4.5	0.1	-0.0	1.4	0.8
Information and Cultural Industries	7.4	6.0	0.5	0.7	0.6	-1.1
Public Administration	3.9	1.9	0.6	1.5	-0.4	-1.7
Ontario Output at Basic Prices	1.3	3.8	0.5	0.7	-0.4	-0.6
(annualized rate on second line)			2.1	2.7	-1.8	-2.2

Note: Real output by sector is measured as real gross domestic product at basic prices in chained 1997 dollars.

MANUFACTURING DECLINES

Manufacturing activity fell 2.5% in the third quarter, after declining 2.1% in the second quarter. These two consecutive drops virtually erased output gains achieved by the industry since the first quarter of 2002.

The third quarter decline was due in large part to the August 14th power failure as manufacturers cut back production to conserve electricity while meeting demand by drawing down inventories.

Production in the auto industry edged down 0.1% in the third quarter. Auto assembly output rose 2.4% while output of auto parts fell 2.1%.

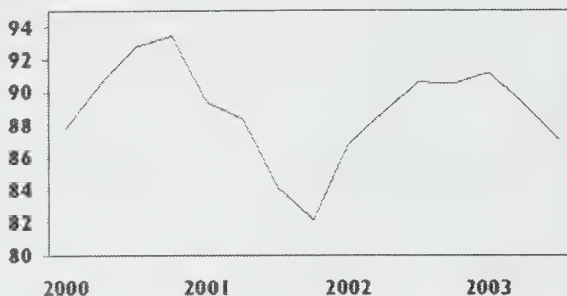
Manufacturers cut production significantly in the primary and fabricated metal (-5.9%), machinery (-4.5%), electrical and electronic products (-2.7%) and in the wood products and furniture (-3.8%) sectors.

One of the few areas of continued strength was the non-metallic mineral products industry, which grew by 2.6% as a result of strong construction activity.

While the manufacturing sector has been generally weak over the past two quarters, monthly Ontario manufacturing data suggest that the sector will recover in the fourth quarter.

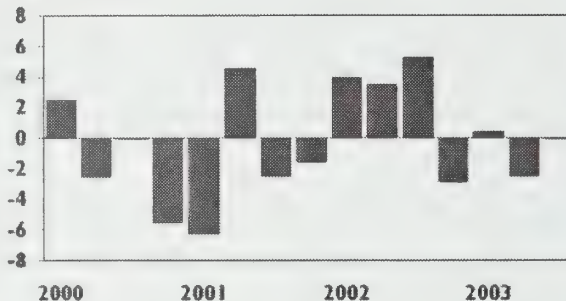
Total Manufacturing Output

\$ 1997 Billions



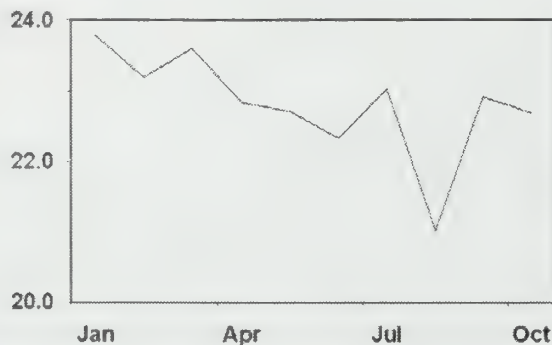
Auto Industry Output

Per Cent Change



Manufacturing Shipments, 2003

\$ Billions

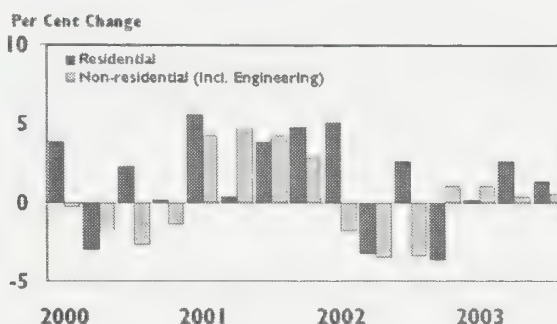


CONSTRUCTION CONTINUES TO GROW

Construction output grew by a more moderate 0.8% in the third quarter after advancing 1.2% in the second quarter. Residential construction rose 1.3% in the third quarter, easing from the second quarter jump of 2.6%, as housing starts remained at very high levels.

Activity in the non-residential and engineering construction sector rose for a fourth consecutive quarter (+0.5%).

Construction Output

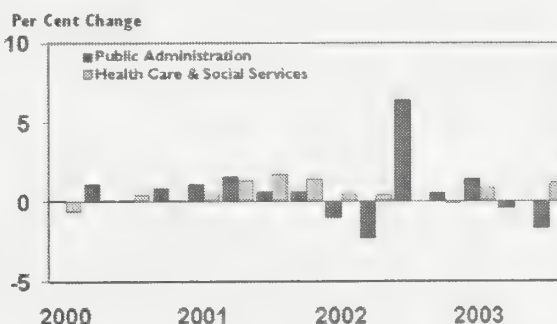


AUGUST BLACKOUT CURTAILS GOVERNMENT OUTPUT

As a result of the near-complete shutdown of federal and provincial government offices in Ontario for more than a week in August to conserve electricity, the output of the public administration sector fell 1.7% in the third quarter.

Despite also having to reduce services in August, the health and social services sector bounced back by 1.2% in the third quarter. This followed a drop in activity in the second quarter as the SARS outbreak led to worker quarantines and the postponement of non-emergency procedures.

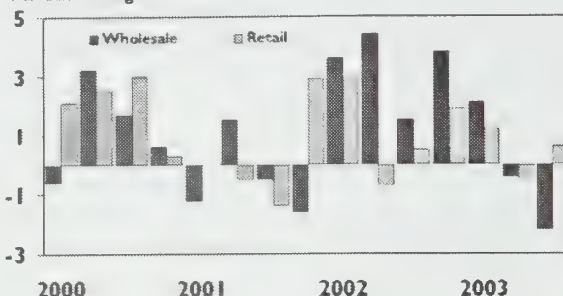
Government & Health Output



Wholesale output fell 2.2% in the third quarter, partly the result of lower manufacturing activity.

Retailers saw their production rebound 0.6% following the second quarter's SARS-related decline.

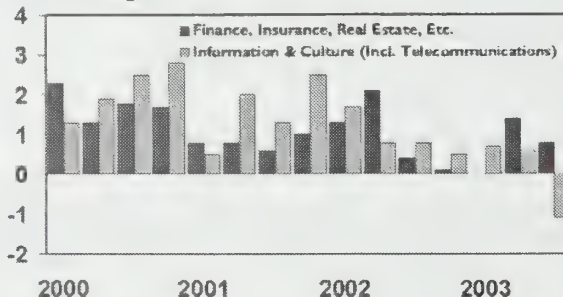
Per Cent Change



Activity in the finance, insurance and real estate sector advanced 0.8% in the third quarter, reflecting the continued recovery of the stock markets and a 9.9% surge in housing resales.

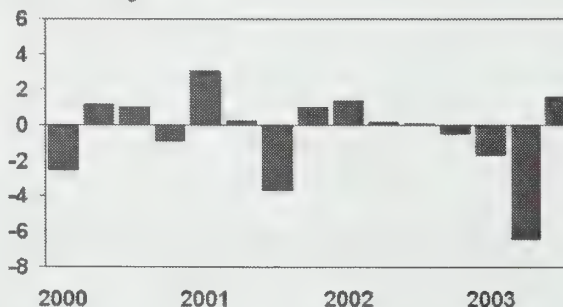
In the information and cultural sector (which includes telecommunications), output fell 1.1% in the third quarter. This ended a five-year string of uninterrupted growth.

Per Cent Change



The accommodation and food services industry ended three quarters of decline with a 1.6% advance in the third quarter. However, the level of activity in this sector remains well below its 2001 peak.

Per Cent Change

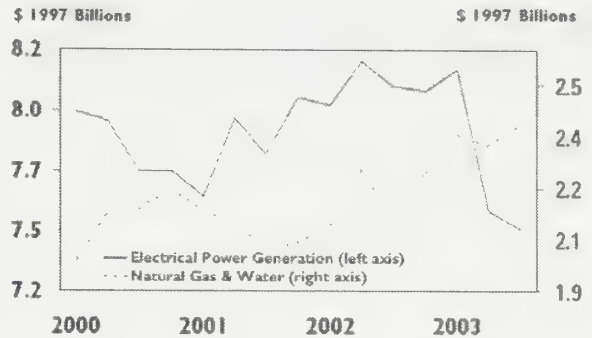


UTILITIES OUTPUT DECLINES

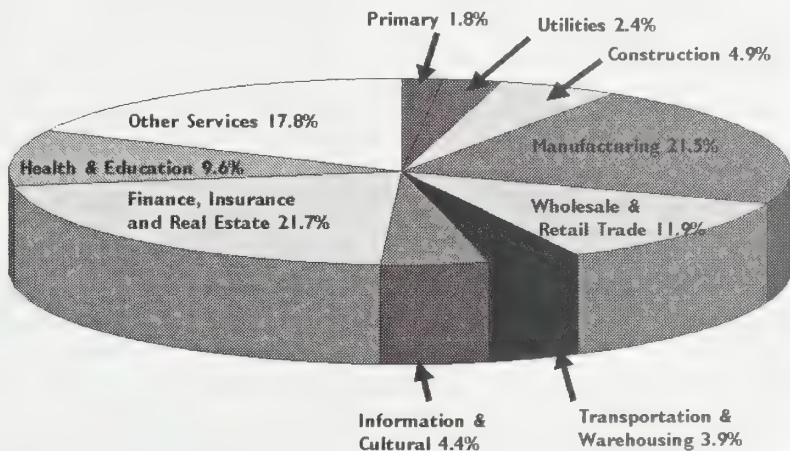
Utilities output slipped -0.1% in the third quarter. Output of the electrical power industry fell 1.0% as the blackout severely hampered the industry through the last two weeks of August. However, the restoration of generating capacity earlier in the quarter offset much of the output lost during the crisis. The third quarter followed a particularly weak second quarter (-7.3%) during which Ontario generating facilities experienced production constraints.

This decline in the electricity sector offset a jump of 2.6% in natural gas and water distribution in the third quarter.

Utilities Output



Structure of the Ontario Economy, 2002 Per Cent Share of GDP

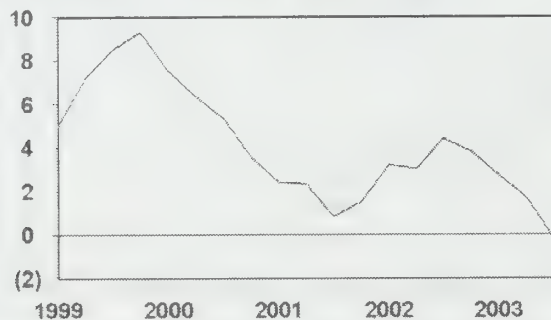


ONTARIO ECONOMIC ACCOUNTS: SUMMARY

(1999:1 - 2003:3)

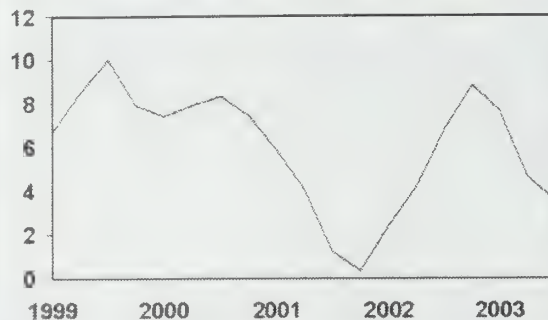
Gross Domestic Product (Chained \$ 1997)

Per Cent Change, Year-Over-Year



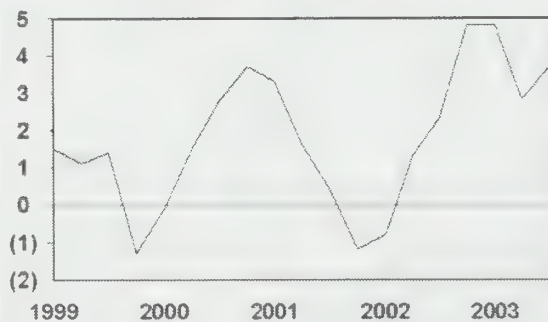
Gross Domestic Product (\$ Current)

Per Cent Change, Year-Over-Year



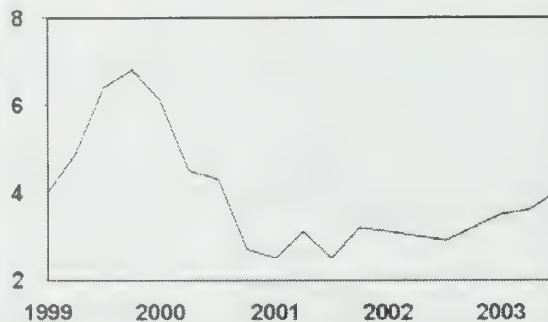
GDP Deflator (1997 = 100)

Per Cent Change, Year-Over-Year



Final Domestic Demand (Chained \$ 1997)

Per Cent Change, Year-Over-Year



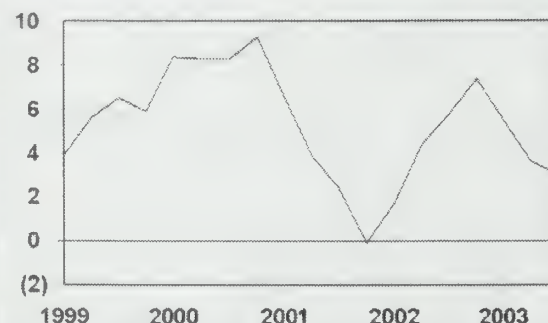
Personal Income (\$ Current)

Per Cent Change, Year-Over-Year



Personal Disposable Income (\$ Current)

Per Cent Change, Year-Over-Year

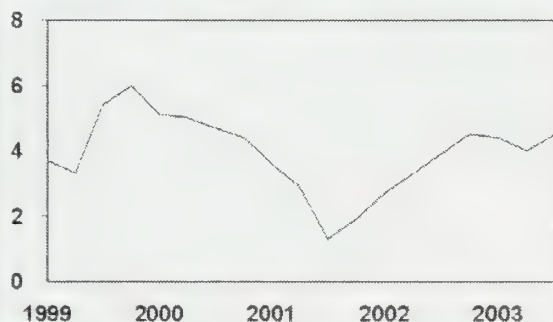


ONTARIO ECONOMIC ACCOUNTS: SUMMARY

(1999:1 - 2003:3)

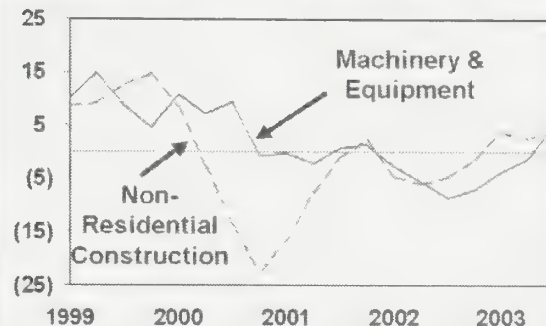
Consumer Spending (Chained \$ 1997)

Per Cent Change, Year-Over-Year



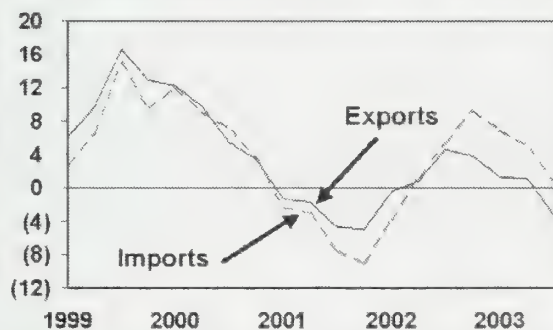
Business Plant & Equipment (Chained \$ 1997)

Per Cent Change, Year-Over-Year



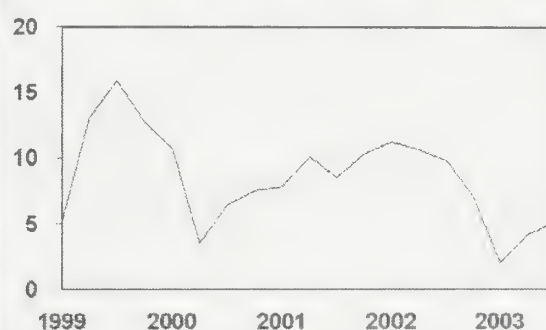
Trade (Chained \$ 1997)

Per Cent Change, Year-Over-Year



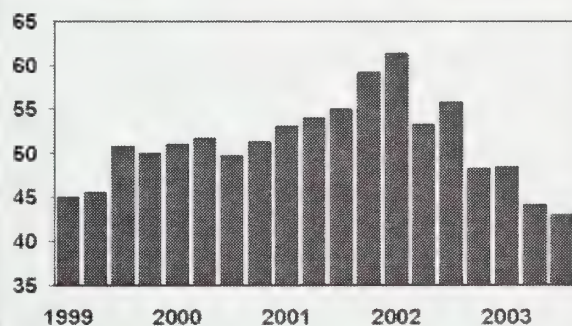
Residential Construction (Chained \$ 1997)

Per Cent Change, Year-Over-Year



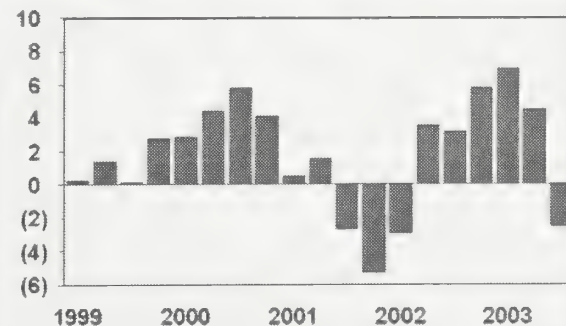
Net Exports (Chained \$ 1997)

\$ Billions



Change in Inventories (Chained \$ 1997)

\$ Billions



LIST OF TABLES

INCOME AND EXPENDITURE DATA

Quarterly Data, 2000:1–2003:3

Table 1: Ontario Gross Domestic Product (Income-Based)	16
Table 2: Ontario Gross Domestic Product (Expenditure-Based)	18
Table 3: Ontario Gross Domestic Product at Chained 1997 Prices	20
Table 4: Sources and Disposition of Ontario Personal Income	22
Table 5: Ontario Trade	24
Table 6: Ontario Deflators	26

Annual Data, 1999–2002

Table 7: Ontario Gross Domestic Product (Income-Based)	28
Table 8: Ontario Gross Domestic Product (Expenditure-Based)	29
Table 9: Ontario Gross Domestic Product at Chained 1997 Prices	30
Table 10: Sources and Disposition of Ontario Personal Income	31
Table 11: Ontario Trade	32
Table 12: Ontario Deflators	33

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

Table 13: Quarterly Data, 2000:1–2003:3	34
Table 14: Annual Data, 1999–2002	38

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED**TABLE 1***Seasonally adjusted data at annual rates, millions of dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Wages, salaries and supplementary labour income (domestic basis)	226,862 2.6	233,269 2.8	236,562 1.4	238,811 1.0	241,107 1.0	242,377 0.5	243,431 0.4	244,838 0.6
2. Corporation profits before taxes	51,707 -0.1	53,365 3.2	55,544 4.1	58,669 5.6	54,634 -6.9	53,713 -1.7	45,711 -14.9	40,007 -12.5
3. Interest and miscellaneous investment income	17,798 9.1	18,302 2.8	18,540 1.3	16,972 -8.5	17,772 4.7	17,269 -2.8	16,579 -4.0	16,428 -0.9
4. Accrued net income of farm operators from farm production	330 4.8	250 -24.2	145 -42.0	156 7.6	355 127.6	420 18.3	580 38.1	529 -8.8
5. Net income of non-farm unincorporated business, including rent	26,637 1.3	27,232 2.2	27,686 1.7	28,593 3.3	27,932 -2.3	28,611 2.4	28,927 1.1	29,710 2.7
6. Inventory valuation adjustment	-1,210	-701	945	-2,370	-501	130	387	240
7. Indirect taxes less subsidies	56,245 -1.1	56,481 0.4	57,310 1.5	57,664 0.6	56,318 -2.3	58,669 4.2	60,675 3.4	61,498 1.4
8. Capital consumption allowances	49,265 4.4	51,494 4.5	52,650 2.2	53,111 0.9	55,640 4.8	54,483 -2.1	54,425 -0.1	54,341 -0.2
9. Statistical discrepancy	-340	-1,193	-1,822	-2,125	-1,317	156	2,244	3,377
10. Gross Domestic Product at market prices	427,295 2.1	438,498 2.6	447,559 2.1	449,480 0.4	451,940 0.5	455,827 0.9	452,958 -0.6	450,968 -0.4
	* 8.6	* 10.9	* 8.5	* 1.7	* 2.2	* 3.5	* -2.5	* -1.7

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted data at annual rates, millions of dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Wages, salaries and supplementary labour income (domestic basis)	249,156 1.8	252,165 1.2	255,764 1.4	259,174 1.3	260,766 0.6	260,936 0.1	262,044 0.4	-
2. Corporation profits before taxes	48,159 20.4	54,167 12.5	60,415 11.5	63,666 5.4	65,143 2.3	61,978 -4.9	65,177 5.2	-
3. Interest and miscellaneous investment income	16,730 1.8	17,068 2.0	17,106 0.2	17,244 0.8	17,314 0.4	16,760 -3.2	16,930 1.0	-
4. Accrued net income of farm operators from farm production	547 3.4	466 -14.8	547 17.4	532 -2.7	389 -26.9	372 -4.4	94 -74.7	-
5. Net income of non-farm unincorporated business, including rent	30,372 2.2	31,397 3.4	31,579 0.6	31,916 1.1	32,154 0.7	32,729 1.8	33,537 2.5	-
6. Inventory valuation adjustment	-1,987	-1,265	-1,952	-1,376	920	4,720	975	-
7. Indirect taxes less subsidies	62,317 1.3	62,316 -0.0	61,983 -0.5	61,395 -0.9	61,455 0.1	60,597 -1.4	61,991 2.3	-
8. Capital consumption allowances	55,345 1.8	58,133 5.0	57,872 -0.4	59,670 3.1	60,330 1.1	61,086 1.3	61,649 0.9	-
9. Statistical discrepancy	2,332	720	268	-1,496	-133	-2,260	-1,840	-
10. Gross Domestic Product at market prices	462,972 2.7	475,168 2.6	483,583 1.8	490,725 1.5	498,338 1.6	496,918 -0.3	500,557 0.7	-
	* 11.1	* 11.0	* 7.3	* 6.0	* 6.4	* -1.1	* 3.0	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 2***Seasonally adjusted data at annual rates, millions of dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Personal expenditure on consumer goods and services:	233,015 1.8	236,519 1.5	243,313 2.9	245,453 0.9	247,053 0.7	250,279 1.3	250,698 0.2	252,647 0.8
2. Goods	104,870 2.0	106,183 1.3	109,451 3.1	109,884 0.4	110,365 0.4	112,457 1.9	111,511 -0.8	113,359 1.7
3. Services	128,145 1.6	130,336 1.7	133,863 2.7	135,569 1.3	136,688 0.8	137,821 0.8	139,187 1.0	139,288 0.1
4. Government expenditure on goods and services:	79,202 0.8	81,583 3.0	83,287 2.1	83,180 -0.1	83,952 0.9	85,707 2.1	87,625 2.2	89,520 2.2
5. Current expenditure	69,716 0.6	72,299 3.7	73,682 1.9	73,427 -0.3	73,742 0.4	75,241 2.0	76,927 2.2	78,203 1.7
6. Capital expenditure	9,487 2.1	9,284 -2.1	9,605 3.5	9,752 1.5	10,210 4.7	10,466 2.5	10,699 2.2	11,317 5.8
7. Business gross fixed capital formation:	68,821 1.8	69,044 0.3	68,896 -0.2	68,079 -1.2	69,911 2.7	71,568 2.4	72,362 1.1	71,751 -0.8
8. Residential structures	21,272 4.3	20,877 -1.9	22,086 5.8	22,680 2.7	23,427 3.3	23,981 2.4	24,771 3.3	25,933 4.7
9. Non-residential structures	12,452 -1.0	11,768 -5.5	10,931 -7.1	10,497 -4.0	10,924 4.1	11,227 2.8	11,128 -0.9	10,821 -2.8
10. Machinery and equipment	35,097 1.3	36,399 3.7	35,879 -1.4	34,902 -2.7	35,560 1.9	36,360 2.2	36,463 0.3	34,997 -4.0
11. Exports of goods and services	313,868 2.0	316,216 0.7	324,227 2.5	328,437 1.3	320,881 -2.3	319,538 -0.4	312,124 -2.3	305,922 -2.0
12. DEDUCT: Imports of goods and services	269,467 1.5	270,097 0.2	279,103 3.3	281,672 0.9	272,769 -3.2	271,054 -0.6	264,309 -2.5	256,458 -3.0
13. Value of physical change in inventories:	1,531	4,109	5,109	3,815	1,649	185	-3,310	-9,308
14. Non-farm	1,937	4,279	5,379	3,813	1,635	319	-3,075	-9,278
15. Farm	-406	-176	-280	-10	-12	-145	-223	-20
16. Government	-1	6	10	13	26	11	-12	-9
17. Statistical discrepancy	325	1,124	1,830	2,188	1,263	-396	-2,231	-3,107
18. Gross Domestic Product at market prices	427,295 2.1 8.6	438,498 2.6 10.9	447,559 2.1 8.5	449,480 0.4 1.7	451,940 0.5 2.2	455,827 0.9 3.5	452,958 -0.6 -2.5	450,968 -0.4 -1.7
19. Final domestic demand	381,038 1.6	387,147 1.6	395,496 2.2	396,712 0.3	400,915 1.1	407,554 1.7	410,685 0.8	413,918 0.8

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted data at annual rates, millions of dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Personal expenditure on consumer goods and services:	256,641 1.6	260,979 1.7	265,486 1.7	270,551 1.9	274,803 1.6	275,765 0.3	280,808 1.8	-
2. Goods	115,875 2.2	116,742 0.7	119,051 2.0	121,868 2.4	124,198 1.9	122,975 -1.0	125,829 2.3	-
3. Services	140,766 1.1	144,237 2.5	146,435 1.5	148,683 1.5	150,605 1.3	152,789 1.5	154,979 1.4	-
4. Government expenditure on goods and services:	89,851 0.4	91,676 2.0	93,455 1.9	94,911 1.6	95,882 1.0	97,023 1.2	98,384 1.4	-
5. Current expenditure	78,116 -0.1	79,800 2.2	81,360 2.0	82,696 1.6	82,613 -0.1	83,715 1.3	85,053 1.6	-
6. Capital expenditure	11,734 3.7	11,876 1.2	12,095 1.8	12,215 1.0	13,270 8.6	13,307 0.3	13,331 0.2	-
7. Business gross fixed capital formation:	72,959 1.7	72,893 -0.1	72,625 -0.4	72,579 -0.1	73,666 1.5	73,578 -0.1	76,522 4.0	-
8. Residential structures	27,469 5.9	27,685 0.8	28,328 2.3	28,637 1.1	29,249 2.1	30,144 3.1	31,699 5.2	-
9. Non-residential structures	10,669 -1.4	10,850 1.7	10,979 1.2	11,118 1.3	11,520 3.6	11,536 0.1	11,731 1.7	-
10. Machinery and equipment	34,820 -0.5	34,359 -1.3	33,318 -3.0	32,824 -1.5	32,896 0.2	31,898 -3.0	33,092 3.7	-
11. Exports of goods and services	315,880 3.3	320,074 1.3	331,608 3.6	328,214 -1.0	324,033 -1.3	311,209 -4.0	305,785 -1.7	-
12. DEDUCT: Imports of goods and services	263,545 2.8	274,233 4.1	282,211 2.9	284,747 0.9	278,486 -2.2	268,053 -3.7	258,813 -3.4	-
13. Value of physical change in inventories:	-6,471	4,478	3,026	7,594	8,308	5,136	-3,969	-
14. Non-farm	-6,562	4,072	3,301	6,864	8,635	5,388	-4,028	-
15. Farm	154	349	-184	689	-333	-227	74	-
16. Government	-64	57	-91	41	6	-25	-14	-
17. Statistical discrepancy	-2,341	-699	-406	1,623	133	2,260	1,840	-
18. Gross Domestic Product at market prices	462,972 2.7 11.1	475,168 2.6 11.0	483,583 1.8 7.3	490,725 1.5 6.0	498,338 1.6 6.4	496,918 -0.3 -1.1	500,557 0.7 3.0	-
19. Final domestic demand	419,450 1.3	425,548 1.5	431,565 1.4	438,041 1.5	444,351 1.4	446,366 0.5	455,714 2.1	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 3***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Personal expenditure on consumer goods and services:	222,821 1.1	225,481 1.2	229,447 1.8	230,199 0.3	230,753 0.2	232,008 0.5	232,476 0.2	234,603 0.9
2. Goods	100,911 0.9	101,978 1.1	104,083 2.1	103,351 -0.7	103,162 -0.2	103,945 0.8	103,683 -0.3	106,385 2.6
3. Services	121,981 1.1	123,517 1.3	125,343 1.5	126,699 1.1	127,408 0.6	127,868 0.4	128,546 0.5	128,046 -0.4
4. Government expenditure on goods and services:	77,694 0.6	76,719 -1.3	77,833 1.5	78,998 1.5	79,251 0.3	81,130 2.4	82,325 1.5	83,856 1.9
5. Current expenditure	68,275 0.6	67,461 -1.2	68,328 1.3	69,480 1.7	69,252 -0.3	70,876 2.3	71,807 1.3	72,778 1.4
6. Capital expenditure	9,380 0.6	9,217 -1.7	9,468 2.7	9,475 0.1	9,967 5.2	10,224 2.6	10,492 2.6	11,069 5.5
7. Business gross fixed capital formation:	67,615 0.9	67,531 -0.1	67,058 -0.7	65,396 -2.5	67,118 2.6	67,990 1.3	68,973 1.4	68,363 -0.9
8. Residential structures	19,787 2.8	19,588 -1.0	20,404 4.2	20,697 1.4	21,329 3.1	21,565 1.1	22,133 2.6	22,837 3.2
9. Non-residential structures	11,658 -2.9	10,758 -7.7	9,926 -7.7	9,287 -6.4	9,715 4.6	9,936 2.3	9,806 -1.3	9,519 -2.9
10. Machinery and equipment	36,177 1.2	37,301 3.1	36,825 -1.3	35,465 -3.7	36,091 1.8	36,506 1.1	37,080 1.6	35,951 -3.0
11. Exports of goods and services	308,542 1.6	309,231 0.2	315,366 2.0	314,277 -0.3	304,650 -3.1	304,028 -0.2	300,482 -1.2	298,460 -0.7
12. DEDUCT: Imports of goods and services	257,502 1.5	257,524 0.0	265,516 3.1	262,943 -1.0	251,512 -4.3	249,970 -0.6	245,512 -1.8	239,278 -2.5
13. Value of physical change in inventories:	2,643	4,273	5,480	4,390	596	1,546	-2,745	-5,226
14. Non-farm	2,841	4,436	5,830	4,129	535	1,587	-2,654	-5,332
15. Farm	-212	-194	-392	174	18	-83	-188	22
16. Government	-1	6	10	12	25	11	-11	-9
17. Statistical discrepancy	314	1,084	1,765	2,110	1,206	-378	-2,131	-2,967
18. Gross Domestic Product at market prices	421,895 1.1 4.6	426,557 1.1 4.5	431,061 1.1 4.3	432,016 0.2 0.9	431,961 -0.0 -0.1	436,579 1.1 4.3	434,487 -0.5 -1.9	438,538 0.9 3.8
* 19. Final domestic demand	368,018 0.9	369,637 0.4	374,280 1.3	374,578 0.1	377,067 0.7	381,055 1.1	383,675 0.7	386,747 0.8

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 3

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Personal expenditure on consumer goods and services:	237,028 1.0	239,688 1.1	241,435 0.7	245,105 1.5	247,402 0.9	249,231 0.7	252,196 1.2	-
2. Goods	108,363 1.9	108,197 -0.2	108,700 0.5	111,133 2.2	112,269 1.0	112,460 0.2	114,269 1.6	-
3. Services	128,550 0.4	131,377 2.2	132,666 1.0	133,975 1.0	135,137 0.9	136,766 1.2	137,932 0.9	-
4. Government expenditure on goods and services:	83,481 -0.4	84,895 1.7	85,648 0.9	86,402 0.9	86,989 0.7	88,346 1.6	87,831 -0.6	-
5. Current expenditure	72,121 -0.9	73,342 1.7	73,964 0.8	74,577 0.8	74,625 0.1	75,814 1.6	75,363 -0.6	-
6. Capital expenditure	11,359 2.6	11,548 1.7	11,675 1.1	11,813 1.2	12,375 4.8	12,543 1.4	12,480 -0.5	-
7. Business gross fixed capital formation:	68,242 -0.2	67,829 -0.6	67,800 -0.0	67,634 -0.2	67,960 0.5	68,819 1.3	71,181 3.4	-
8. Residential structures	23,715 3.8	23,848 0.6	24,291 1.9	24,430 0.6	24,197 -1.0	24,816 2.6	25,531 2.9	-
9. Non-residential structures	9,264 -2.7	9,338 0.8	9,349 0.1	9,396 0.5	9,606 2.2	9,593 -0.1	9,712 1.2	-
10. Machinery and equipment	35,119 -2.3	34,409 -2.0	33,838 -1.7	33,422 -1.2	33,811 1.2	34,010 0.6	35,629 4.8	-
11. Exports of goods and services	303,173 1.6	306,589 1.1	314,225 2.5	309,905 -1.4	307,042 -0.9	310,043 1.0	303,218 -2.2	-
12. DEDUCT: Imports of goods and services	241,854 1.1	253,240 4.7	258,449 2.1	261,642 1.2	258,577 -1.2	265,887 2.8	259,670 -2.3	-
13. Value of physical change in inventories:	-2,782	3,917	2,901	6,483	6,904	4,412	-2,174	-
14. Non-farm	-2,930	3,544	3,155	5,807	6,949	4,497	-2,130	-
15. Farm	113	280	-204	578	-174	-170	57	-
16. Government	-61	56	-85	42	6	-25	-15	-
17. Statistical discrepancy	-2,234	-667	-388	1,548	122	2,079	1,670	-
18. Gross Domestic Product at market prices	445,871 1.7 6.9	449,460 0.8 3.3	453,646 0.9 3.8	455,376 0.4 1.5	457,933 0.6 2.3	457,097 -0.2 -0.7	454,156 -0.6 -2.5	-
19. Final domestic demand	388,699 0.5	392,356 0.9	394,827 0.6	399,102 1.1	402,318 0.8	406,354 1.0	411,114 1.2	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

		2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1.	Wages, salaries and supplementary labour income (national basis)	223,193 2.4	229,840 3.0	233,492 1.6	236,176 1.1	238,571 1.0	239,747 0.5	240,545 0.3	240,617 0.0
2.	Net income of farm operators from farm production	330 4.8	250 -24.2	145 -42.0	156 7.6	355 127.6	420 18.3	580 38.1	529 -8.8
3.	Net income of non-farm unincorporated business, including rent	26,637 1.3	27,232 2.2	27,686 1.7	28,593 3.3	27,932 -2.3	28,611 2.4	28,927 1.1	29,710 2.7
4.	Interest, dividends and miscellaneous investment income	46,525 4.4	47,618 2.3	47,657 0.1	48,069 0.9	47,791 -0.6	47,360 -0.9	46,772 -1.2	45,328 -3.1
5.	Current transfers from government, corporations and non-residents	42,740 6.9	40,938 -4.2	41,133 0.5	41,301 0.4	44,734 8.3	43,124 -3.6	43,692 1.3	43,787 0.2
6.	Equals: Personal income	339,424 3.1	345,878 1.9	350,112 1.2	354,293 1.2	359,384 1.4	359,262 -0.0	360,516 0.3	359,970 -0.2
7.	Deduct: Personal direct taxes	59,187 1.5	60,161 1.6	60,832 1.1	58,636 -3.6	60,868 3.8	61,581 1.2	62,863 2.1	62,488 -0.6
8.	Other current transfers to government	22,252 4.6	22,520 1.2	22,828 1.4	22,985 0.7	23,807 3.6	24,157 1.5	24,720 2.3	25,117 1.6
9.	Equals: Personal disposable income	257,986 3.4	263,197 2.0	266,453 1.2	272,672 2.3	274,709 0.7	273,524 -0.4	272,933 -0.2	272,365 -0.2
10.	Deduct: Personal expenditure on consumer goods and services	233,015 1.8	236,519 1.5	243,313 2.9	245,453 0.9	247,053 0.7	250,279 1.3	250,698 0.2	252,647 0.8
11.	Current transfers to corporations	4,393 1.8	4,737 7.8	4,866 2.7	5,112 5.1	4,999 -2.2	5,202 4.1	4,935 -5.1	4,756 -3.6
12.	Current transfers to non-residents	655 -3.0	664 1.4	676 1.8	685 1.3	720 5.1	774 7.5	805 4.0	817 1.5
13.	Equals: Personal saving	19,922 27.7	21,277 6.8	17,598 -17.3	21,423 21.7	21,938 2.4	17,269 -21.3	16,495 -4.5	14,146 -14.2
14.	Personal saving rate (percent)	7.7	8.1	6.6	7.9	8.0	6.3	6.0	5.2
15.	Real personal disposable income * (millions of chained (1997) dollars)	246,699 2.7	250,914 1.7	251,268 0.1	255,727 1.8	256,586 0.3	253,557 -1.2	253,095 -0.2	252,913 -0.1
16.	Population (thousands)	11,579 0.2	11,623 0.4	11,685 0.5	11,751 0.6	11,774 0.2	11,828 0.5	11,898 0.6	11,963 0.5
17.	Personal disposable income per capita (dollars)	22,281 3.2	22,644 1.6	22,802 0.7	23,205 1.8	23,331 0.5	23,124 -0.9	22,940 -0.8	22,767 -0.8
18.	Real personal disposable income per capita (chained (1997) dollars)	21,306 2.5	21,587 1.3	21,503 -0.4	21,763 1.2	21,792 0.1	21,436 -1.6	21,273 -0.8	21,141 -0.6

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Wages, salaries and supplementary labour income (national basis)	245,475 2.0	248,762 1.3	252,696 1.6	256,428 1.5	258,005 0.6	258,173 0.1	259,269 0.4	-
2. Net income of farm operators from farm production	547 3.4	466 -14.8	547 17.4	532 -2.7	389 -26.9	372 -4.4	94 -74.7	-
3. Net income of non-farm unincorporated business, including rent	30,372 2.2	31,397 3.4	31,579 0.6	31,916 1.1	32,154 0.7	32,729 1.8	33,537 2.5	-
4. Interest, dividends and miscellaneous investment income	44,557 -1.7	44,375 -0.4	43,904 -1.1	43,271 -1.4	43,147 -0.3	43,358 0.5	43,914 1.3	-
5. Current transfers from government, corporations and non-residents	45,105 3.0	45,234 0.3	45,797 1.2	46,815 2.2	47,146 0.7	47,791 1.4	48,372 1.2	-
6. Equals: Personal income	366,056 1.7	370,234 1.1	374,524 1.2	378,962 1.2	380,841 0.5	382,423 0.4	385,186 0.7	-
7. Deduct: Personal direct taxes	61,043 -2.3	58,938 -3.4	59,650 1.2	60,305 1.1	59,586 -1.2	60,149 0.9	61,022 1.5	-
8. Other current transfers to government	25,545 1.7	25,746 0.8	26,035 1.1	26,123 0.3	26,428 1.2	26,520 0.3	26,638 0.4	-
9. Equals: Personal disposable income	279,469 2.6	285,550 2.2	288,838 1.2	292,535 1.3	294,827 0.8	295,754 0.3	297,526 0.6	-
10. Deduct: Personal expenditure on consumer goods and services	256,641 1.6	260,979 1.7	265,486 1.7	270,551 1.9	274,803 1.6	275,765 0.3	280,808 1.8	-
11. Current transfers to corporations	4,612 -3.0	4,462 -3.3	4,726 5.9	4,880 3.3	5,064 3.8	5,162 1.9	5,276 2.2	-
12. Current transfers to non-residents	773 -5.4	828 7.1	827 -0.1	839 1.5	802 -4.4	853 6.4	865 1.4	-
13. Equals: Personal saving	17,442 23.3	19,281 10.5	17,800 -7.7	16,265 -8.6	14,158 -13.0	13,974 -1.3	10,577 -24.3	-
14. Personal saving rate (percent)	6.2	6.8	6.2	5.6	4.8	4.7	3.6	-
15. Real personal disposable income * (millions of chained (1997) dollars)	258,112 2.1	262,254 1.6	262,672 0.2	265,022 0.9	265,430 0.2	267,297 0.7	267,211 -0.0	-
16. Population (thousands)	11,982 0.2	12,032 0.4	12,097 0.5	12,145 0.4	12,157 0.1	12,193 0.3	12,238 0.4	-
17. Personal disposable income per capita (dollars)	23,323 2.4	23,732 1.8	23,878 0.6	24,086 0.9	24,252 0.7	24,256 0.0	24,312 0.2	-
18. Real personal disposable income per capita (chained (1997) dollars)	21,541 1.9	21,796 1.2	21,715 -0.4	21,821 0.5	21,833 0.1	21,922 0.4	21,835 -0.4	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 5***Seasonally adjusted data at annual rates, millions of dollars*

	<u>2000 I</u>	<u>2000 II</u>	<u>2000 III</u>	<u>2000 IV</u>	<u>2001 I</u>	<u>2001 II</u>	<u>2001 III</u>	<u>2001 IV</u>
1. Exports of goods and services	313,868 2.0	316,216 0.7	324,227 2.5	328,437 1.3	320,881 -2.3	319,538 -0.4	312,124 -2.3	305,922 -2.0
2. Of which: International	233,150 2.7	234,894 0.7	236,739 0.8	242,085 2.3	235,128 -2.9	234,285 -0.4	228,059 -2.7	225,456 -1.1
3. Of which: Interprovincial	80,718 0.2	81,322 0.7	87,488 7.6	86,352 -1.3	85,754 -0.7	85,252 -0.6	84,064 -1.4	80,466 -4.3
4. Imports of goods and services	269,467 1.5	270,097 0.2	279,103 3.3	281,672 0.9	272,769 -3.2	271,054 -0.6	264,309 -2.5	256,458 -3.0
5. Trade balance	44,401	46,119	45,124	46,765	48,113	48,484	47,815	49,464

*Note: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO TRADE**TABLE 5***Seasonally adjusted data at annual rates, millions of dollars*

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Exports of goods and services	315,880 3.3	320,074 1.3	331,608 3.6	328,214 -1.0	324,033 -1.3	311,209 -4.0	305,785 -1.7	- -
2. Of which: International	231,748 2.8	232,674 0.4	240,429 3.3	233,530 -2.9	228,943 -2.0	217,789 -4.9	212,313 -2.5	- -
3. Of which: Interprovincial	84,132 4.6	87,401 3.9	91,179 4.3	94,684 3.8	95,090 0.4	93,420 -1.8	93,472 0.1	- -
4. Imports of goods and services	263,545 2.8	274,233 4.1	282,211 2.9	284,747 0.9	278,486 -2.2	268,053 -3.7	258,813 -3.4	- -
5. Trade balance	52,334	45,841	49,397	43,467	45,547	43,156	46,972	-

*Note: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6
Using seasonally adjusted data, chained (1997) dollars

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Personal expenditure on consumer goods and services:	104.6 0.7	104.9 0.3	106.0 1.1	106.6 0.5	107.1 0.4	107.9 0.8	107.8 -0.0	107.7 -0.1
2. Goods	103.9 1.0	104.1 0.2	105.2 1.0	106.3 1.1	107.0 0.6	108.2 1.1	107.5 -0.6	106.6 -0.9
3. Services	105.1 0.5	105.5 0.4	106.8 1.2	107.0 0.2	107.3 0.3	107.8 0.5	108.3 0.5	108.8 0.5
4. Government expenditure on goods and services:	101.9 0.2	106.3 4.3	107.0 0.6	105.3 -1.6	105.9 0.6	105.6 -0.3	106.4 0.8	106.8 0.3
5. Current expenditure	102.1 0.0	107.2 5.0	107.8 0.6	105.7 -2.0	106.5 0.8	106.2 -0.3	107.1 0.9	107.5 0.3
6. Capital expenditure	101.1 1.4	100.7 -0.4	101.5 0.7	102.9 1.5	102.4 -0.5	102.4 -0.1	102.0 -0.4	102.2 0.3
7. Business gross fixed capital formation:	101.8 0.9	102.2 0.4	102.7 0.5	104.1 1.3	104.2 0.1	105.3 1.1	104.9 -0.3	105.0 0.0
8. Residential structures	107.5 1.4	106.6 -0.9	108.2 1.6	109.6 1.2	109.8 0.2	111.2 1.2	111.9 0.6	113.6 1.5
9. Non-residential structures	106.8 2.0	109.4 2.4	110.1 0.7	113.0 2.6	112.4 -0.5	113.0 0.5	113.5 0.4	113.7 0.2
10. Machinery and equipment	97.0 0.2	97.6 0.6	97.4 -0.2	98.4 1.0	98.5 0.1	99.6 1.1	98.3 -1.3	97.3 -1.0
11. Exports of goods and services	101.7 0.4	102.3 0.5	102.8 0.5	104.5 1.6	105.3 0.8	105.1 -0.2	103.9 -1.2	102.5 -1.3
12. DEDUCT: Imports of goods and services	104.6 0.1	104.9 0.2	105.1 0.2	107.1 1.9	108.5 1.2	108.4 -0.0	107.7 -0.7	107.2 -0.4
13. Gross Domestic Product at market prices	101.3 1.0 3.9	102.8 1.5 6.1	103.8 1.0 4.1	104.0 0.2 0.8	104.6 0.6 2.3	104.4 -0.2 -0.8	104.3 -0.2 -0.6	102.8 -1.4 -5.3
* 14. Final domestic demand	103.5 0.6	104.7 1.2	105.7 0.9	105.9 0.2	106.3 0.4	107.0 0.6	107.0 0.1	107.0 -0.0

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.
** Annualized per cent change from previous quarter.*
Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

Using seasonally adjusted data, chained (1997) dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Personal expenditure on consumer goods and services:	108.3 0.5	108.9 0.6	110.0 1.0	110.4 0.4	111.1 0.6	110.6 -0.4	111.3 0.6	- -
2. Goods	106.9 0.4	107.9 0.9	109.5 1.5	109.7 0.1	110.6 0.9	109.4 -1.2	110.1 0.7	- -
3. Services	109.5 0.7	109.8 0.3	110.4 0.5	111.0 0.5	111.4 0.4	111.7 0.2	112.4 0.6	- -
4. Government expenditure on goods and services:	107.6 0.8	108.0 0.3	109.1 1.0	109.8 0.7	110.2 0.3	109.8 -0.4	112.0 2.0	- -
5. Current expenditure	108.3 0.8	108.8 0.5	110.0 1.1	110.9 0.8	110.7 -0.2	110.4 -0.3	112.9 2.2	- -
6. Capital expenditure	103.3 1.0	102.8 -0.4	103.6 0.7	103.4 -0.2	107.2 3.7	106.1 -1.1	106.8 0.7	- -
7. Business gross fixed capital formation:	106.9 1.9	107.5 0.5	107.1 -0.3	107.3 0.2	108.4 1.0	106.9 -1.4	107.5 0.6	- -
8. Residential structures	115.8 2.0	116.1 0.2	116.6 0.5	117.2 0.5	120.9 3.1	121.5 0.5	124.2 2.2	- -
9. Non-residential structures	115.2 1.3	116.2 0.9	117.4 1.1	118.3 0.8	119.9 1.4	120.3 0.3	120.8 0.4	- -
10. Machinery and equipment	99.2 1.9	99.9 0.7	98.5 -1.4	98.2 -0.3	97.3 -0.9	93.8 -3.6	92.9 -1.0	- -
11. Exports of goods and services	104.2 1.6	104.4 0.2	105.5 1.1	105.9 0.4	105.5 -0.4	100.4 -4.9	100.8 0.5	- -
12. DEDUCT: Imports of goods and services	109.0 1.7	108.3 -0.6	109.2 0.8	108.8 -0.3	107.7 -1.0	100.8 -6.4	99.7 -1.1	- -
13. Gross Domestic Product at market prices	103.8 1.0 4.0	105.7 1.8 7.5	106.6 0.8 3.4	107.8 1.1 4.4	108.8 1.0 4.0	108.7 -0.1 -0.4	110.2 1.4 5.7	- - -
14. Final domestic demand	107.9 0.8	108.5 0.5	109.3 0.8	109.8 0.4	110.4 0.6	109.8 -0.5	110.8 0.9	- -

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 7

Millions of dollars

	1999	2000	2001	2002
1. Wages, salaries and supplementary labour income (domestic basis)	214,520 7.3	233,876 9.0	242,938 3.9	254,065 4.6
2. Corporation profits before taxes	49,738 25.9	54,821 10.2	48,516 -11.5	56,602 16.7
3. Interest and miscellaneous investment income	16,936 -1.1	17,903 5.7	17,012 -5.0	17,037 0.1
4. Accrued net income of farm operators from farm production	232 -1.3	220 -5.1	471 113.8	523 11.0
5. Net income of non-farm unincorporated business, including rent	25,553 6.2	27,537 7.8	28,795 4.6	31,316 8.8
6. Inventory valuation adjustment	-972	-834	64	-1,645
7. Indirect taxes less subsidies	54,934 6.8	56,925 3.6	59,290 4.2	62,003 4.6
8. Capital consumption allowances	48,180 4.9	51,630 7.2	54,722 6.0	57,755 5.5
9. Statistical discrepancy	-101	-1,370	1,115	456
10. Gross Domestic Product at market prices	409,020 8.2	440,708 7.7	452,923 2.8	478,112 5.6

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 8

Millions of dollars

	1999	2000	2001	2002
1. Personal expenditure on consumer goods and services:	223,556 6.5	239,575 7.2	250,169 4.4	263,414 5.3
2. Goods	100,232 7.9	107,597 7.3	111,923 4.0	118,384 5.8
3. Services	123,324 5.4	131,978 7.0	138,246 4.7	145,030 4.9
4. Government expenditure on goods and services:	76,478 4.7	81,813 7.0	86,701 6.0	92,473 6.7
5. Current expenditure	67,665 3.1	72,281 6.8	76,028 5.2	80,493 5.9
6. Capital expenditure	8,813 19.4	9,532 8.2	10,673 12.0	11,980 12.2
7. Business gross fixed capital formation:	65,305 9.9	68,710 5.2	71,398 3.9	72,764 1.9
8. Residential structures	19,738 14.6	21,729 10.1	24,528 12.9	28,030 14.3
9. Non-residential structures	11,821 13.9	11,412 -3.5	11,025 -3.4	10,904 -1.1
10. Machinery and equipment	33,746 6.0	35,569 5.4	35,845 0.8	33,830 -5.6
11. Exports of goods and services	292,317 10.9	320,687 9.7	314,616 -1.9	323,944 3.0
12. DEDUCT: Imports of goods and services	249,065 8.5	275,085 10.4	266,147 -3.2	276,184 3.8
13. Value of physical change in inventories:	326	3,641	-2,696	2,157
14. Non-farm	436	3,852	-2,600	1,919
15. Farm	-109	-218	-100	252
16. Government	-1	7	4	-14
17. Statistical discrepancy	103	1,367	-1,118	-456
18. Gross Domestic Product at market prices	409,020 8.2	440,708 7.7	452,923 2.8	478,112 5.6
19. Final domestic demand	365,339 6.7	390,098 6.8	408,268 4.7	428,651 5.0

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 9

Millions of chained (1997) dollars

	1999	2000	2001	2002
1. Personal expenditure on consumer goods and services:	216,622 4.6	226,987 4.8	232,460 2.4	240,814 3.6
2. Goods	97,888 6.0	102,581 4.8	104,294 1.7	109,098 4.6
3. Services	118,827 3.6	124,385 4.7	127,967 2.9	131,642 2.9
4. Government expenditure on goods and services:	75,098 4.4	77,811 3.6	81,640 4.9	85,106 4.2
5. Current expenditure	66,158 2.4	68,386 3.4	71,178 4.1	73,501 3.3
6. Capital expenditure	8,899 21.1	9,385 5.5	10,438 11.2	11,599 11.1
7. Business gross fixed capital formation:	64,350 10.4	66,900 4.0	68,111 1.8	67,876 -0.3
8. Residential structures	18,807 11.6	20,119 7.0	21,966 9.2	24,071 9.6
9. Non-residential structures	11,325 11.4	10,407 -8.1	9,744 -6.4	9,337 -4.2
10. Machinery and equipment	34,210 9.4	36,442 6.5	36,407 -0.1	34,197 -6.1
11. Exports of goods and services	289,805 11.3	311,854 7.6	301,905 -3.2	308,473 2.2
12. DEDUCT: Imports of goods and services	241,940 8.4	260,871 7.8	246,568 -5.5	253,796 2.9
13. Value of physical change in inventories:	1,122	4,196	-1,457	2,630
14. Non-farm	1,140	4,309	-1,466	2,394
15. Farm	-20	-156	-58	192
16. Government	-1	7	4	-12
17. Statistical discrepancy	100	1,318	-1,068	-435
18. Gross Domestic Product at market prices	405,034 7.5	427,882 5.6	435,391 1.8	451,088 3.6
19. Final domestic demand	355,996 5.5	371,628 4.4	382,136 2.8	393,746 3.0

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 10

Millions of dollars

	1999	2000	2001	2002
1. Wages, salaries and supplementary labour income (national basis)	211,776 7.3	230,675 8.9	239,870 4.0	250,840 4.6
2. Net income of farm operators from farm production	232 -1.3	220 -5.1	471 113.8	523 11.0
3. Net income of non-farm unincorporated business, including rent	25,553 6.2	27,537 7.8	28,795 4.6	31,316 8.8
4. Interest, dividends and miscellaneous investment income	44,568 2.6	47,467 6.5	46,813 -1.4	44,027 -6.0
5. Current transfers from government, corporations and non-residents	39,573 -0.0	41,528 4.9	43,834 5.6	45,738 4.3
6. Equals: Personal income	321,702 5.6	347,427 8.0	359,783 3.6	372,444 3.5
7. Deduct: Personal direct taxes	56,961 6.2	59,704 4.8	61,950 3.8	59,984 -3.2
8. Other current transfers to government	20,605 5.4	22,646 9.9	24,450 8.0	25,862 5.8
9. Equals: Personal disposable income	244,136 5.5	265,077 8.6	273,383 3.1	286,598 4.8
10. Deduct: Personal expenditure on consumer goods and services	223,556 6.5	239,575 7.2	250,169 4.4	263,414 5.3
11. Current transfers to corporations	4,085 15.8	4,777 16.9	4,973 4.1	4,670 -6.1
12. Current transfers to non-residents	650 19.3	670 3.1	779 16.3	817 4.8
13. Equals: Personal saving	15,845 -9.6	20,055 26.6	17,462 -12.9	17,697 1.3
14. Personal saving rate (percent)	6.5	7.6	6.4	6.2
15. Real personal disposable income * (millions of chained (1997) dollars)	236,570 3.6	251,152 6.2	254,038 1.1	262,015 3.1
16. Population (thousands)	11,506 1.2	11,685 1.6	11,898 1.8	12,097 1.7
17. Personal disposable income per capita (dollars)	21,217 4.2	22,685 6.9	22,978 1.3	23,692 3.1
18. Real personal disposable income per capita (chained (1997) dollars)	20,561 2.3	21,495 4.5	21,352 -0.7	21,662 1.5

Notes: Per cent change from previous year is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE*Millions of dollars***TABLE 11**

	1999	2000	2001	2002
1. Exports of goods and services	292,317 10.9	320,687 9.7	314,616 -1.9	323,944 3.0
2. Of which: International	216,844 12.1	236,717 9.2	230,732 -2.5	234,595 1.7
3. Of which: Interprovincial	75,473 7.6	83,970 11.3	83,884 -0.1	89,349 6.5
4. Imports of goods and services	249,065 8.5	275,085 10.4	266,147 -3.2	276,184 3.8
5. Trade balance	43,252	45,602	48,469	47,760

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT**TABLE 12***Using chained (1997) dollars*

	1999	2000	2001	2002
1. Personal expenditure on consumer goods and services:	103.2 1.8	105.5 2.3	107.6 2.0	109.4 1.6
2. <i>Goods</i>	102.4 1.8	104.9 2.4	107.3 2.3	108.5 1.1
3. <i>Services</i>	103.8 1.8	106.1 2.2	108.0 1.8	110.2 2.0
4. Government expenditure on goods and services:	101.8 0.4	105.1 3.2	106.2 1.0	108.6 2.3
5. <i>Current expenditure</i>	102.3 0.7	105.7 3.3	106.8 1.0	109.5 2.5
6. <i>Capital expenditure</i>	99.0 -1.4	101.6 2.6	102.3 0.7	103.3 1.0
7. Business gross fixed capital formation:	101.5 -0.5	102.7 1.2	104.8 2.1	107.2 2.3
8. <i>Residential structures</i>	104.9 2.6	108.0 2.9	111.6 3.4	116.4 4.3
9. <i>Non-residential structures</i>	104.4 2.3	109.8 5.2	113.1 3.0	116.8 3.2
10. <i>Machinery and equipment</i>	98.7 -3.2	97.6 -1.1	98.5 0.9	98.9 0.5
11. Exports of goods and services	100.9 -0.4	102.8 1.9	104.2 1.3	105.0 0.8
12. DEDUCT: Imports of goods and services	102.9 0.1	105.4 2.5	107.9 2.4	108.8 0.8
13. Gross Domestic Product at market prices	101.0 0.7	103.0 2.0	104.0 1.0	106.0 1.9
14. Final domestic demand	102.6 1.1	105.0 2.3	106.8 1.8	108.9 1.9

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Goods Producing Industries	124,716 3.1	127,104 1.9	128,659 1.2	129,130 0.4	125,852 -2.5	125,838 -0.0	122,165 -2.9	121,238 -0.8
2. Primary	7,801 -0.8	7,945 1.9	7,845 -1.3	7,786 -0.8	7,717 -0.9	7,628 -1.2	7,486 -1.9	7,510 0.3
3. Agriculture, Forestry, Fishing & Hunting	4,788 -2.1	4,895 2.2	4,765 -2.6	4,710 -1.2	4,580 -2.8	4,528 -1.2	4,347 -4.0	4,258 -2.0
4. Mining	3,035 1.3	3,090 1.8	3,128 1.2	3,143 0.5	3,196 1.7	3,181 -0.5	3,195 0.5	3,273 2.4
5. Utilities	9,942 -1.0	10,034 0.9	9,842 -1.9	9,907 0.7	9,730 -1.8	10,025 3.0	9,799 -2.2	10,051 2.6
6. Electric Power	7,945 -2.6	7,905 -0.5	7,699 -2.6	7,701 0.0	7,593 -1.4	7,917 4.3	7,769 -1.9	8,004 3.0
7. Natural Gas, Water and Other	1,990 6.1	2,122 6.7	2,137 0.7	2,200 2.9	2,131 -3.1	2,101 -1.4	2,024 -3.7	2,040 0.8
8. Construction	18,843 1.2	18,422 -2.2	18,254 -0.9	18,094 -0.9	18,969 4.8	19,547 3.0	20,348 4.1	21,100 3.7
9. Residential Buildings	7,245 3.8	7,027 -3.0	7,188 2.3	7,200 0.2	7,604 5.6	7,638 0.4	7,931 3.8	8,311 4.8
10. Non-Residential Buildings and Engineering	11,578 -0.3	11,383 -1.7	11,074 -2.7	10,918 -1.4	11,377 4.2	11,909 4.7	12,415 4.2	12,780 2.9
11. Manufacturing	87,771 4.1	90,527 3.1	92,815 2.5	93,468 0.7	89,381 -4.4	88,321 -1.2	84,095 -4.8	82,147 -2.3
12. Food, Beverage, & Tobacco Products	9,326 -0.9	9,351 0.3	9,253 -1.0	9,438 2.0	9,742 3.2	9,885 1.5	9,951 0.7	10,077 1.3
13. Textile, Clothing, & Leather Products	2,003 7.5	2,178 8.8	2,278 4.6	2,429 6.7	2,245 -7.6	2,127 -5.3	1,944 -8.6	1,856 -4.5
14. Wood Products and Furniture	4,312 6.9	4,838 12.2	5,066 4.7	5,182 2.3	5,025 -3.0	4,819 -4.1	4,525 -6.1	4,439 -1.9
15. Paper Products and Printing	5,766 3.4	6,206 7.6	6,509 4.9	6,888 5.8	6,596 -4.2	6,149 -6.8	6,035 -1.9	5,808 -3.8
16. Chemical and Petroleum Products	7,329 -0.9	7,511 2.5	7,920 5.4	8,276 4.5	7,933 -4.2	7,978 0.6	7,500 -6.0	7,459 -0.6
17. Plastic and Rubber Products	5,647 6.7	5,613 -0.6	6,095 8.6	6,320 3.7	6,375 0.9	6,223 -2.4	5,954 -4.3	5,901 -0.9
18. Primary Metal & Fabricated Metal Products	12,300 6.2	12,634 2.7	12,914 2.2	13,107 1.5	12,513 -4.5	12,525 0.1	12,319 -1.6	12,128 -1.6
19. Machinery	6,143 10.9	6,709 9.2	6,692 -0.3	6,714 0.3	6,429 -4.2	6,191 -3.7	5,821 -6.0	5,522 -5.1

*Notes: Ontario Production is measured as Gross Domestic Product at basic prices.**Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
20. Electrical and Electronic Products	10,088 6.7	11,305 12.1	12,248 8.3	12,477 1.9	10,521 -15.7	9,615 -8.6	8,056 -16.2	6,924 -14.0
21. Transportation Equipment	21,535 2.5	20,900 -3.0	20,439 -2.2	19,219 -6.0	18,441 -4.0	19,451 5.5	18,980 -2.4	19,066 0.5
22. Auto Industry (Vehicles & Parts)	18,688 2.5	18,208 -2.6	18,188 -0.1	17,172 -5.6	16,090 -6.3	16,828 4.6	16,403 -2.5	16,144 -1.6
23. Other Transportation Equipment	2,829 -1.1	2,731 -3.5	2,264 -17.1	2,013 -11.1	2,376 18.0	2,597 9.3	2,636 1.5	2,864 8.6
24. Non-metallic Mineral Products & Other Manufacturing	3,463 6.0	3,653 5.5	4,054 11.0	4,250 4.8	4,148 -2.4	3,831 -7.6	3,389 -11.5	3,322 -2.0
25. Services Producing Industries	262,737 0.6	266,496 1.4	270,905 1.7	273,586 1.0	275,073 0.5	277,344 0.8	277,858 0.2	279,719 0.7
26. Wholesale Trade	25,193 -0.6	26,010 3.2	26,456 1.7	26,607 0.6	26,278 -1.2	26,680 1.5	26,549 -0.5	26,125 -1.6
27. Retail Trade	19,215 2.1	19,688 2.5	20,287 3.0	20,349 0.3	20,342 -0.0	20,241 -0.5	19,957 -1.4	20,536 2.9
28. Transportation and Warehousing	16,032 -2.2	16,184 1.0	16,473 1.8	16,062 -2.5	16,101 0.2	15,970 -0.8	15,959 -0.1	16,043 0.5
29. Information & Culture (including Telecommunications)	15,495 1.3	15,789 1.9	16,186 2.5	16,645 2.8	16,736 0.5	17,073 2.0	17,301 1.3	17,738 2.5
30. Finance, Insurance, Real Estate, Rental & Leasing	81,371 2.3	82,404 1.3	83,925 1.8	85,361 1.7	86,026 0.8	86,731 0.8	87,259 0.6	88,162 1.0
31. Professional and Administrative Services	28,100 0.6	28,537 1.6	29,144 2.1	29,580 1.5	29,957 1.3	30,336 1.3	30,281 -0.2	30,178 -0.3
32. Education	16,769 -1.7	17,086 1.9	17,308 1.3	17,428 0.7	17,401 -0.2	17,330 -0.4	17,360 0.2	17,270 -0.5
33. Health Care and Social Services	20,976 -0.6	20,996 0.1	21,070 0.4	21,082 0.1	21,194 0.5	21,497 1.4	21,880 1.8	22,219 1.5
34. Arts, Entertainment & Recreation	3,511 -0.2	3,453 -1.7	3,572 3.5	3,661 2.5	3,676 0.4	3,618 -1.6	3,594 -0.7	3,608 0.4
35. Accommodation and Food	8,644 -2.5	8,747 1.2	8,843 1.1	8,766 -0.9	9,037 3.1	9,063 0.3	8,731 -3.7	8,830 1.1
36. Other Services	8,769 0.1	8,801 0.4	8,881 0.9	9,047 1.9	9,177 1.4	9,288 1.2	9,260 -0.3	9,168 -1.0
37. Public Administration	18,902 0.1	19,103 1.1	19,124 0.1	19,292 0.9	19,508 1.1	19,829 1.6	19,973 0.7	20,116 0.7
38. Total Production	387,608 1.4 5.7	393,855 1.6 6.6	399,902 1.5 6.3	403,169 0.8 3.3	401,190 -0.5 -1.9	403,415 0.6 2.2	400,122 -0.8 -3.2	400,931 0.2 0.8

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Goods Producing Industries	126,003 3.9	127,715 1.4	129,218 1.2	129,272 0.0	130,461 0.9	128,348 -1.6	126,421 -1.5	-
2. Primary	7,462 -0.7	7,715 3.4	7,874 2.1	8,085 2.7	8,216 1.6	8,336 1.5	8,310 -0.3	-
3. Agriculture, Forestry, Fishing & Hunting	4,266 0.2	4,545 6.5	4,763 4.8	4,954 4.0	5,151 4.0	5,501 6.8	5,511 0.2	-
4. Mining	3,197 -2.3	3,157 -1.3	3,102 -1.7	3,135 1.1	3,081 -1.7	2,836 -8.0	2,846 0.4	-
5. Utilities	10,070 0.2	10,413 3.4	10,169 -2.3	10,289 1.2	10,481 1.9	9,856 -6.0	9,843 -0.1	-
6. Electric Power	7,971 -0.4	8,155 2.3	8,052 -1.3	8,033 -0.2	8,123 1.1	7,531 -7.3	7,457 -1.0	-
7. Natural Gas, Water and Other	2,092 2.5	2,252 7.6	2,111 -6.2	2,250 6.6	2,358 4.8	2,325 -1.4	2,386 2.6	-
8. Construction	21,291 0.9	20,576 -3.4	20,385 -0.9	20,180 -1.0	20,314 0.7	20,567 1.2	20,734 0.8	-
9. Residential Buildings	8,733 5.1	8,456 -3.2	8,679 2.6	8,363 -3.6	8,376 0.2	8,592 2.6	8,704 1.3	-
10. Non-Residential Buildings and Engineering	12,555 -1.8	12,115 -3.5	11,706 -3.4	11,822 1.0	11,942 1.0	11,986 0.4	12,043 0.5	-
11. Manufacturing	86,799 5.7	88,734 2.2	90,600 2.1	90,502 -0.1	91,189 0.8	89,266 -2.1	87,056 -2.5	-
12. Food, Beverage, & Tobacco Products	10,146 0.7	10,016 -1.3	9,946 -0.7	9,802 -1.4	9,852 0.5	9,701 -1.5	9,605 -1.0	-
13. Textile, Clothing, & Leather Products	2,095 12.9	2,118 1.1	2,151 1.6	2,209 2.7	2,097 -5.1	1,975 -5.8	1,896 -4.0	-
14. Wood Products and Furniture	4,699 5.9	4,704 0.1	4,921 4.6	4,945 0.5	5,073 2.6	4,989 -1.6	4,800 -3.8	-
15. Paper Products and Printing	5,985 3.0	6,182 3.3	6,205 0.4	6,234 0.5	6,334 1.6	6,200 -2.1	6,115 -1.4	-
16. Chemical and Petroleum Products	7,954 6.6	8,287 4.2	8,569 3.4	8,832 3.1	8,789 -0.5	8,737 -0.6	8,600 -1.6	-
17. Plastic and Rubber Products	6,529 10.6	6,759 3.5	6,847 1.3	6,976 1.9	7,143 2.4	6,833 -4.3	6,777 -0.8	-
18. Primary Metal & Fabricated Metal Products	12,785 5.4	13,217 3.4	13,218 0.0	13,255 0.3	13,561 2.3	13,123 -3.2	12,348 -5.9	-
19. Machinery	5,794 4.9	6,071 4.8	6,224 2.5	6,752 8.5	6,348 -6.0	6,087 -4.1	5,811 -4.5	-

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
20. Electrical and Electronic Products	7,857 13.5	8,265 5.2	8,176 -1.1	8,303 1.6	8,660 4.3	8,580 -0.9	8,350 -2.7	-
21. Transportation Equipment	19,869 4.2	19,994 0.6	20,966 4.9	19,784 -5.6	19,841 0.3	19,538 -1.5	19,352 -0.9	-
22. Auto Industry (Vehicles & Parts)	16,794 4.0	17,384 3.5	18,298 5.3	17,776 -2.9	17,850 0.4	17,407 -2.5	17,387 -0.1	-
23. Other Transportation Equipment	3,054 6.6	2,638 -13.6	2,547 -3.4	2,123 -16.7	2,084 -1.8	2,107 1.1	1,846 -12.4	-
24. Non-metallic Mineral Products & Other Manufacturing	3,515 5.8	3,591 2.2	3,831 6.7	3,944 3.0	4,058 2.9	4,115 1.4	4,023 -2.2	-
25. Services Producing Industries	283,538 1.4	287,443 1.4	290,548 1.1	292,641 0.7	294,267 0.6	294,623 0.1	294,395 -0.1	-
26. Wholesale Trade	27,074 3.6	28,264 4.4	28,689 1.5	29,781 3.8	30,419 2.1	30,312 -0.4	29,658 -2.2	-
27. Retail Trade	21,123 2.9	20,980 -0.7	21,087 0.5	21,497 1.9	21,752 1.2	21,641 -0.5	21,766 0.6	-
28. Transportation and Warehousing	16,223 1.1	16,409 1.1	16,431 0.1	16,352 -0.5	16,324 -0.2	16,083 -1.5	16,000 -0.5	-
29. Information & Culture (including Telecommunications)	18,046 1.7	18,189 0.8	18,342 0.8	18,434 0.5	18,564 0.7	18,671 0.6	18,465 -1.1	-
30. Finance, Insurance, Real Estate, Rental & Leasing	89,335 1.3	91,204 2.1	91,575 0.4	91,712 0.1	91,700 -0.0	92,951 1.4	93,681 0.8	-
31. Professional and Administrative Services	30,656 1.6	31,051 1.3	31,520 1.5	31,771 0.8	32,073 0.9	32,275 0.6	32,229 -0.1	-
32. Education	17,312 0.2	17,584 1.6	17,720 0.8	17,770 0.3	17,779 0.0	17,788 0.1	17,758 -0.2	-
33. Health Care and Social Services	22,330 0.5	22,424 0.4	22,416 -0.0	22,388 -0.1	22,590 0.9	22,587 -0.0	22,860 1.2	-
34. Arts, Entertainment & Recreation	3,623 0.4	3,866 6.7	3,783 -2.1	3,812 0.8	3,842 0.8	3,875 0.9	3,839 -0.9	-
35. Accommodation and Food	8,951 1.4	8,965 0.2	8,978 0.1	8,934 -0.5	8,784 -1.7	8,218 -6.4	8,353 1.6	-
36. Other Services	9,288 1.3	9,400 1.2	9,623 2.4	9,626 0.0	9,601 -0.3	9,497 -1.1	9,424 -0.8	-
37. Public Administration	19,915 -1.0	19,463 -2.3	20,706 6.4	20,827 0.6	21,143 1.5	21,062 -0.4	20,698 -1.7	-
38. Total Production	409,590 2.2 8.9	415,306 1.4 5.7	420,012 1.1 4.6	422,174 0.5 2.1	425,043 0.7 2.7	423,171 -0.4 -1.8	420,803 -0.6 -2.2	-

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of chained (1997) dollars

	1999	2000	2001	2002
1. Goods Producing Industries	118,640 8.6	127,402 7.4	123,773 -2.8	128,052 3.5
2. Primary	7,798 8.2	7,844 0.6	7,585 -3.3	7,784 2.6
3. Agriculture, Forestry, Fishing & Hunting	4,886 9.8	4,790 -2.0	4,428 -7.5	4,632 4.6
4. Mining	2,923 5.8	3,099 6.0	3,211 3.6	3,148 -2.0
5. Utilities	9,895 1.4	9,931 0.4	9,901 -0.3	10,235 3.4
6. Electric Power	7,945 0.3	7,813 -1.7	7,821 0.1	8,053 3.0
7. Natural Gas, Water and Other	1,947 6.1	2,112 8.5	2,074 -1.8	2,176 4.9
8. Construction	17,963 14.4	18,403 2.5	19,991 8.6	20,608 3.1
9. Residential Buildings	6,755 15.3	7,165 6.1	7,871 9.9	8,558 8.7
10. Non-Residential Buildings and Engineering	11,208 13.9	11,238 0.3	12,120 7.8	12,050 -0.6
11. Manufacturing	82,813 8.1	91,145 10.1	85,986 -5.7	89,159 3.7
12. Food, Beverage, & Tobacco Products	9,348 -0.6	9,342 -0.1	9,914 6.1	9,978 0.6
13. Textile, Clothing, & Leather Products	1,873 -4.5	2,222 18.6	2,043 -8.1	2,143 4.9
14. Wood Products and Furniture	4,006 2.5	4,850 21.0	4,702 -3.0	4,818 2.5
15. Paper Products and Printing	5,507 -1.2	6,342 15.2	6,147 -3.1	6,151 0.1
16. Chemical and Petroleum Products	7,275 2.9	7,759 6.7	7,717 -0.5	8,410 9.0
17. Plastic and Rubber Products	5,075 11.3	5,919 16.6	6,113 3.3	6,778 10.9
18. Primary Metal & Fabricated Metal Products	11,131 5.1	12,739 14.4	12,371 -2.9	13,119 6.0
19. Machinery	5,561 -1.5	6,564 18.1	5,991 -8.7	6,210 3.7

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of chained (1997) dollars

	1999	2000	2001	2002
20. Electrical and Electronic Products	8,796 22.0	11,529 31.1	8,779 -23.9	8,150 -7.2
21. Transportation Equipment	20,826 20.1	20,523 -1.5	18,985 -7.5	20,153 6.2
22. Auto Industry (Vehicles & Parts)	17,941 20.4	18,064 0.7	16,366 -9.4	17,563 7.3
23. Other Transportation Equipment	2,886 18.3	2,460 -14.8	2,618 6.5	2,590 -1.1
24. Non-metallic Mineral Products & Other Manufacturing	3,408 1.9	3,855 13.1	3,673 -4.7	3,720 1.3
25. Services Producing Industries	254,844 7.3	268,431 5.3	277,499 3.4	288,543 4.0
26. Wholesale Trade	24,339 11.8	26,067 7.1	26,408 1.3	28,452 7.7
27. Retail Trade	18,618 5.0	19,885 6.8	20,269 1.9	21,172 4.5
28. Transportation and Warehousing	15,581 8.4	16,188 3.9	16,018 -1.0	16,354 2.1
29. Information & Culture (including Telecommunications)	14,551 19.6	16,029 10.2	17,212 7.4	18,253 6.0
30. Finance, Insurance, Real Estate, Rental & Leasing	78,381 5.6	83,265 6.2	87,044 4.5	90,956 4.5
31. Professional and Administrative Services	26,755 13.6	28,841 7.8	30,188 4.7	31,250 3.5
32. Education	17,101 -0.5	17,148 0.3	17,340 1.1	17,596 1.5
33. Health Care and Social Services	20,701 4.0	21,031 1.6	21,698 3.2	22,390 3.2
34. Arts, Entertainment & Recreation	3,367 6.8	3,549 5.4	3,624 2.1	3,771 4.1
35. Accommodation and Food	8,595 12.3	8,750 1.8	8,916 1.9	8,957 0.5
36. Other Services	8,500 10.2	8,875 4.4	9,223 3.9	9,484 2.8
37. Public Administration	18,649 1.6	19,105 2.4	19,857 3.9	20,228 1.9
38. Total Production	373,634 7.7	396,133 6.0	401,414 1.3	416,771 3.8

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

For further information on the *Ontario Economic Accounts*,
please contact us at:

Ministry of Finance
Macroeconomic Analysis & Policy Branch
Current Analysis Unit
6th Floor, Frost Building North
95 Grosvenor Street
Toronto, ON M7A 1Z1
416 325-0755

e-mail: macroeconomics@fin.gov.on.ca

website: <http://www.gov.on.ca/FIN/english/enghome.htm>

CA20N
TR17
- B75

Publications
April 2004

**Ontario
Ministry
of Finance**

**Fourth Quarter
of 2003**
(October, November,
December)

Ontario Economic Accounts



April 2004

Fourth Quarter of 2003

(October, November, December)

Ontario Economic Accounts



Ontario Ministry of Finance

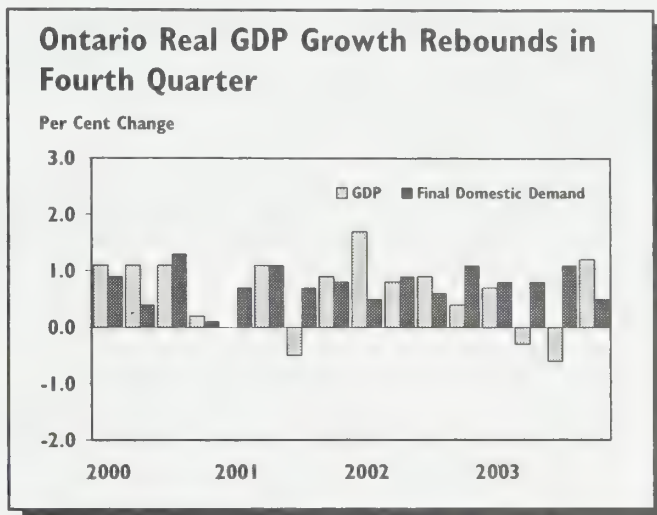
Table of Contents

Fourth-Quarter Highlights	1
2003 Review	2
Demand and Incomes	4
Ontario Production By Industry	9
Ontario Economic Accounts: Summary 1999:1-2003:4	14
List of Tables	17

FOURTH-QUARTER HIGHLIGHTS: OCTOBER-DECEMBER 2003

- Ontario's **real Gross Domestic Product (GDP)** rebounded 1.2% (4.8% annualized) in the fourth quarter of 2003, following declines of 0.3% and 0.6% in the second and third quarters, respectively. The renewed growth reflected the province's recovery from a series of shocks from the SARS outbreak to the August blackout which disrupted Ontario's economy.

- Business inventories** provided the biggest source of growth for the economy in the fourth quarter. A \$3.4 billion build-up in non-farm inventories in the fourth quarter, following the \$1.2 billion draw-down in the third quarter, was equivalent to more than 80% of Ontario's real fourth quarter GDP growth. Much of the fourth quarter accumulation was concentrated in retail stocks, particularly motor vehicle inventories.



- Real consumer spending** fell 0.3% in the fourth quarter, its first decline since the third quarter of 1998. A sharp decline in big-ticket durable purchases, particularly motor vehicles which fell 10.9%, led the drop in consumption.
- In contrast to the weak consumer spending, **real residential construction** continued to grow rapidly, increasing at a brisk 4.9% pace, following a strong 2.9% gain in the third quarter. Healthy gains occurred in renovations and new construction as the housing market continued to benefit from historically low interest rates.
- Real business investment** growth slowed appreciably in the fourth quarter to 0.6%, following a robust 4.1% advance in the third quarter. In particular, machinery and equipment investment grew a modest 0.5%, after growing by an average 2.6% rate over the first three quarters of 2003.
- Government current activity** rebounded 1.1% in the fourth quarter, after falling 0.6% in the third quarter. The increase in the fourth quarter reflected a return to normal hours of work following the scaling back of government operations during the third quarter power blackout.

- ❑ **Final domestic demand** growth eased to 0.5% in the fourth quarter, less than half the pace of the third quarter.
- ❑ **Ontario's real exports** rebounded in the final quarter of 2003, advancing 4.0%, their best gain in over four years. Exports, which had declined by 2.3% in the previous quarter, were propelled by strong gains in shipments of automotive and industrial goods. With export growth lagging that of imports, Ontario's real trade surplus narrowed considerably in the fourth quarter, reducing real GDP by over \$920 million.
- ❑ **Real imports** rebounded by a vigorous 5.0%, their biggest advance in over four years. Imports, which had declined 2.6% in the third quarter, were boosted by increases in automotive products, other consumer products and machinery and equipment purchases.
- ❑ In current dollars, **nominal GDP** grew by 1.5% in the fourth quarter, more than double the 0.6% pace of the third quarter. Prices as measured by the GDP implicit price index increased by a modest 0.3%, down significantly from the 1.2% third quarter rate.

2003 REVIEW

- ❑ The Ontario economy was hit by a series of economic shocks in 2003: SARS, mad cow disease, the August blackout, global political tensions – including the war with Iraq, which resulted in periodic border disruptions and unsettled consumer confidence – and an unprecedented rise in the Canadian dollar. The cumulative impact of these shocks slowed the growth of the Ontario economy to just 1.4% in 2003, from 3.6% in 2002, its slowest rate of growth since 1996. Ontario's growth lagged both that of Canada (+1.7%) and the U.S. (+3.1%) in 2003.
- ❑ Despite the challenges, **final domestic demand** – consumer spending, investment and government spending – remained robust, rising by 3.5%, its largest increase in three years.
- ❑ Household expenditures remained strong in 2003, as **consumer spending** rose by 3.5%, and residential construction increased by 5.0%. The Ontario housing market experienced its fifth consecutive year of robust growth. The savings rate of Ontario households, however, fell to a 53-year low of 4.3% of disposable income.
- ❑ **Real business spending for plant and equipment** advanced for the first time in three years, growing by 3.4% in 2003, following declines of 5.7% in 2002 and 1.5% in 2001. Machinery and equipment investment rose 3.0% in 2003, while non-residential construction grew by 4.9%.

- ❑ Ontario's **real exports** were virtually unchanged in 2003, falling 0.1%, after rising 2.2% in 2002. The nearly 20% rise in the Canadian dollar in 2003 contributed to the export slowdown. In addition, exports were affected by the outbreak of SARS and global political tensions which discouraged tourism.
- ❑ The stronger Canadian dollar and strong domestic demand contributed to **real import** growth of 3.6% in 2003, following a 2.9% gain in 2002.
- ❑ With imports much stronger than exports, Ontario's **real trade surplus** narrowed substantially in 2003. The net trade deterioration effectively reduced Ontario's real GDP by over \$9.5 billion in 2003.
- ❑ In current dollars, **nominal GDP** grew 4.7% in 2003, following a gain of 5.6% in 2002.
- ❑ Prices as measured by the **GDP price deflator** were up 3.3%, their largest increase since 1991. Price increases were strongest in Ontario's construction sector with residential construction prices rising by 5.8% and non-residential construction prices up 3.4%.

ONTARIO ECONOMIC ACCOUNTS: HIGHLIGHTS

(% change from previous period)

	2002	2003	2003:1	2003:2	2003:3	2003:4
Real GDP (Chained \$ 1997)	3.6	1.4	0.7	-0.3	-0.6	1.2
<i>(annualized rate on second line)</i>			2.7	-1.1	-2.6	4.8
Personal spending	3.6	3.5	0.7	0.7	0.9	-0.3
Government spending	4.2	3.3	0.9	1.1	-0.5	1.1
Residential construction	9.6	5.0	-0.7	1.7	2.9	4.9
Non-residential construction	-4.2	4.9	2.9	0.3	1.7	0.9
Machinery & equipment	-6.1	3.0	2.2	0.7	4.8	0.5
Exports	2.2	-0.1	-0.9	0.7	-2.3	4.0
Imports	2.9	3.6	-1.2	2.5	-2.6	5.0
Business inventories (Chained \$1997 billions)	2.4	3.6	7.1	4.9	-1.2	3.4
Nominal GDP (\$ Current)	5.6	4.7	1.6	-0.3	0.6	1.5
Corporation profits	16.7	14.9	2.8	-5.0	4.0	5.1
Personal income	3.5	2.8	0.3	0.3	0.6	0.6
Disposable income	4.8	3.1	0.6	0.4	0.1	0.2
Implicit price index, GDP	1.9	3.3	0.9	0.0	1.2	0.3

DEMAND AND INCOMES

CONSUMER SPENDING DECLINES IN FOURTH QUARTER

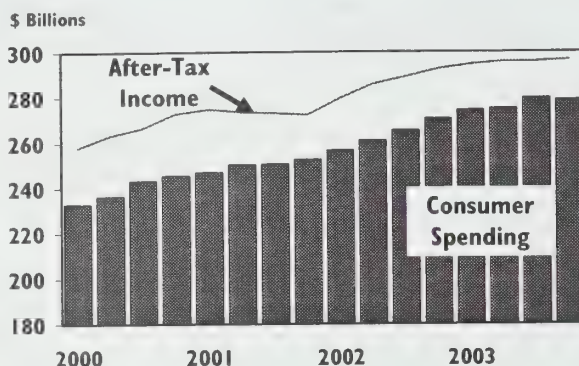
Real consumer spending fell 0.3% in the fourth quarter of 2003, its weakest quarterly performance in eight years. Goods consumption declined 1.6%, following a 1.1% gain in the third quarter. Consumer spending on durable goods was particularly weak with sales of motor vehicles down by 10.9%. Spending on services however, remained solid, growing by 0.8%.

Personal disposable income increased by 0.2% in the fourth quarter, following a 0.1% advance in the third quarter. Labour income, the largest component of household income, increased at a healthy 0.9% pace after advancing by just 0.2% in the third quarter. Increased job creation in the fourth quarter contributed to the pick-up in labour income growth. Interest and dividend payments weakened, partially offsetting the strong growth in labour income. The impact of modest disposable income growth, and falling consumer spending combined to push Ontario's **savings rate** higher to 3.8%, from 3.4% in the third quarter.

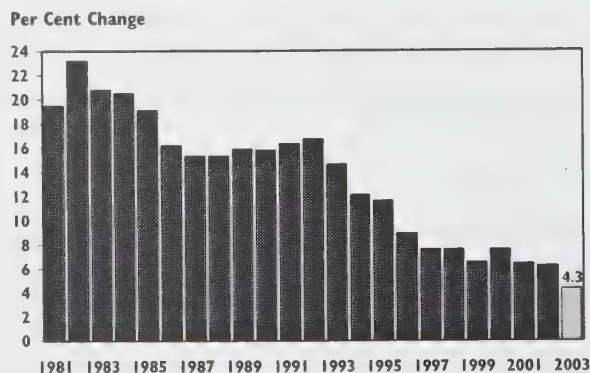
In annual terms, consumer spending continued to support growth in 2003, with household spending up 3.5%, following a similar 3.6% gain in 2002. The strongest areas of growth – home furnishings and household appliances – were a reflection of Ontario's robust housing market. Spending on automobiles slipped in 2003, as motor vehicle purchases declined by 8.7% from the record level of sales achieved in 2002.

Labour income growth slowed to 2.9% in 2003, its weakest annual advance since 1996. With growth in consumer spending outpacing the growth in personal disposable income, Ontario's saving rate fell to an annual 53-year low of 4.3% in 2003.

Spending Weakens as Income Growth Stalls



Ontario Savings Rate Falls to Lowest Point in over 50 Years

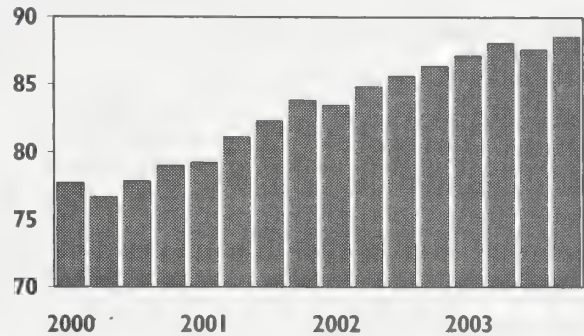


GOVERNMENT ACTIVITY REBOUNDS

Real government expenditures on current goods and services rebounded 1.1% in the fourth quarter, after falling 0.6% in the third quarter. Most of the rebound reflected a return to a normal level of hours worked in the public sector, following the temporary scaling back of operations in the third quarter due to the August blackout. Government **real capital spending** was also higher, increasing 0.9% in the final quarter of 2003.

Government Activity Up in Fourth Quarter

\$ Chained 1997 Billions



HOUSING MARKET STRENGTH CONTINUES

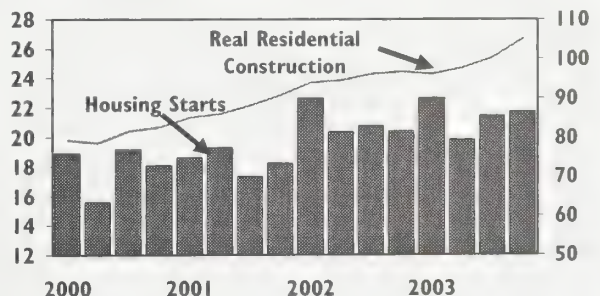
Residential construction increased at a brisk 4.9% pace in the fourth quarter, the largest gain in four and a half years. The leading driver of the fourth quarter increase was strong growth in renovation activity.

In annual terms, investment in residential structures increased by 5.0% in 2003 as housing starts hit a 14-year high of 85,180 units, following a gain of 9.6% in 2002. The latest gain extends Ontario's strong housing market performance to five years of continuous growth. Real residential investment has risen by more than 50% over this period, stimulated by low interest rates, continuing employment growth and rising incomes.

Housing Investment Up in Fourth Quarter

Construction, \$ Chained 1997 Billions

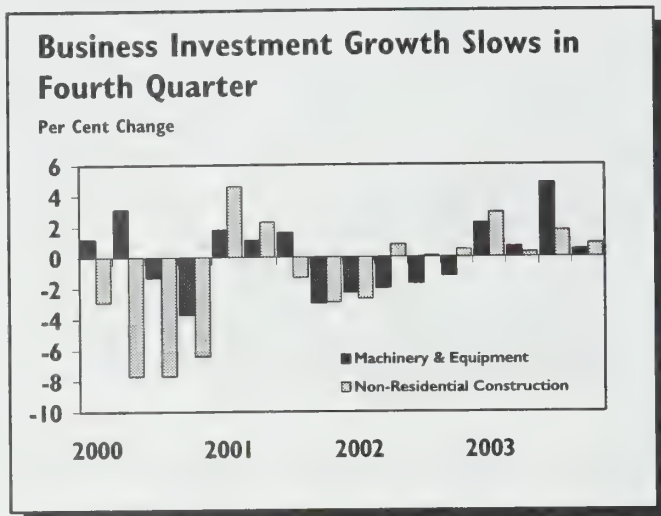
Starts, thousands



BUSINESS INVESTMENT GROWS AT MODERATE PACE

Real business spending on **plant and equipment investment** advanced by 0.6%, following a 4.1% surge in the third quarter. Investment in machinery and equipment edged up 0.5%, after growing by an average 2.6% rate over the first three quarters of 2003. The advance was led by strong growth in telecommunication equipment and industrial machinery. Real non-residential construction advanced 0.9%, after increasing 1.7% in the third quarter.

In annual terms, real business investment advanced for the first time in three years, growing by 3.4% in 2003, following declines of 5.7% in 2002 and 1.5% in 2001.



Ontario **pre-tax corporate profits** rose 5.1% in the fourth quarter, following a 4.0% increase in the third quarter. The increase was led by strong profit growth for chartered banks, insurance companies, real estate brokers and leasing companies. Better profit performance by the transportation and mining industries also contributed to the overall improvement in the fourth quarter.

Ontario pre-tax corporate profits were up 14.9% in 2003, following a 16.7% gain in 2002. Profit growth was concentrated in the financial sector as chartered banks and insurance companies both posted solid gains. Wholesalers and retailers also reported increased profits in 2003.

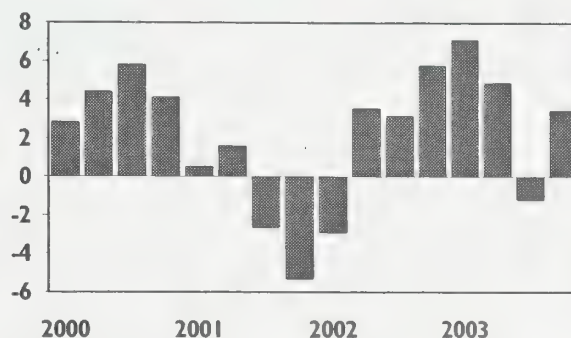
INVENTORY LEVELS RISE IN FOURTH QUARTER

Non-farm inventories grew by \$3.4 billion in the fourth quarter, reversing a \$1.2 billion third quarter draw-down. Much of the fourth quarter accumulation was concentrated in retail stocks, particularly motor vehicle inventories. The \$4.6 billion inventory swing from the third to the fourth quarter was the major contributor to Ontario's improved economic performance, equivalent to more than 80% of fourth quarter GDP growth.

Businesses accumulated inventories for the second consecutive year in 2003, as manufacturers, wholesalers and retailers added a combined \$3.6 billion to their stocks in 2003, following a \$2.4 billion accumulation in 2002.

Businesses Accumulate Inventories in Fourth Quarter

\$ Chained 1997 Billions



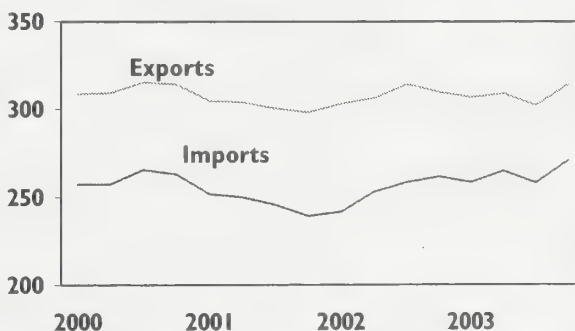
EXPORTS AND IMPORTS REBOUND IN FOURTH QUARTER

Real exports rebounded 4.0%, the strongest gain in over four years. In part, the improvement reflected a recovery from the August blackout. Exports, which had declined by 2.3% in the third quarter, were led by strong fourth quarter exports of automotive and industrial goods.

Real imports also grew strongly in the fourth quarter, rising 5.0%. Imports, which had declined 2.6% in the third quarter, were led in the fourth quarter by strong import gains in automotive products, other consumer products and machinery and equipment purchases.

Exports and Imports Rebound Sharply in Fourth Quarter

\$ Chained 1997 Billions



With export growth lagging that of imports, Ontario's **real trade** surplus narrowed considerably in the fourth quarter, reducing real GDP by over \$920 million, and providing the major source of weakness for Ontario's economy in the fourth quarter.

In 2003, Ontario's real exports were virtually unchanged, falling 0.1%, after rising 2.2% in 2002. Hampered by the nearly 20% rise in the Canadian dollar and a series of other economic shocks (SARS, mad cow disease, the August blackout), exports lost ground in 2003. Hardest hit were exporters of machinery and equipment and industrial goods and materials. In addition, the outbreak of SARS and

global political tensions discouraged tourism, which contributes significantly to Ontario's service exports.

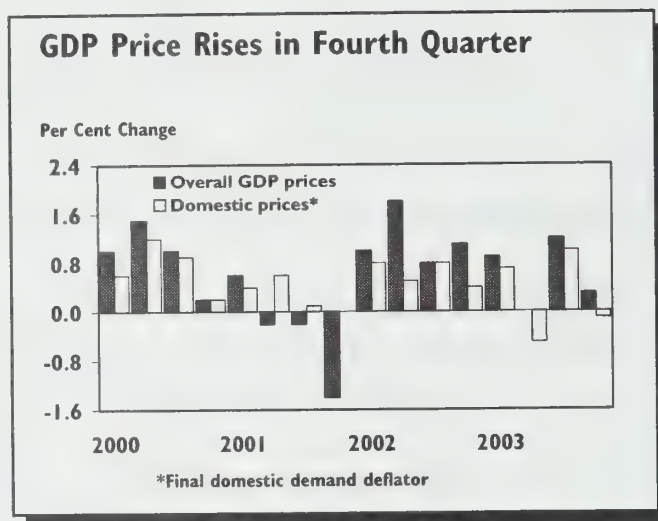
Ontario's imports, which benefited from the stronger dollar and rising domestic demand, increased by 3.6% in 2003, following a 2.9% gain in 2002.

With imports much stronger than exports, Ontario's real trade surplus narrowed substantially in 2003 to \$45.1 billion. As a result, net trade was a major source of weakness for the Ontario economy in 2003, effectively reducing real GDP by over \$9.5 billion, equivalent to a 2.1% reduction in real GDP.

GDP INFLATION MODEST IN FOURTH QUARTER

Average prices, as measured by the GDP implicit price index, increased by a modest 0.3% in the fourth quarter, down significantly from the 1.2% third quarter inflation rate.

Moderating fourth quarter prices, were declines in the price of machinery and equipment investment (-2.8%), stable consumer spending prices, and a modest (+0.1%) rise in the implicit price of government expenditures. Higher prices were recorded for residential (+0.8%) and non-residential (+0.7%) construction, reflecting the strong demand for construction.



The 3.8% appreciation of the Canadian dollar in the fourth quarter resulted in a 3.1% decline in import prices which fell for the fifth consecutive quarter. The exchange rate also influenced the Canadian dollar prices received by exporters, which fell 2.1%.

For the year as a whole, prices as measured by the GDP price deflator were up 3.3%, their highest increase since 1991. Inflation was strongest in Ontario's construction sector with residential construction prices rising by 5.8% and non-residential construction prices up 3.4%. Consumer spending prices were up a modest 1.6% in 2003.

Machinery and equipment prices fell 5.4%, while export prices dropped 3.5%, both dominated by the strong rise of the Canadian dollar.

ONTARIO PRODUCTION BY INDUSTRY

INDUSTRIAL PRODUCTION IN THE OCTOBER-DECEMBER QUARTER OF 2003

Industrial output advanced 1.5% in the fourth quarter (6.1% annualized), following the blackout-induced drop of 0.6% in the third quarter. Manufacturing and wholesale trade – two of the industries among the most affected by the August blackout – saw their output rebound 2.8% and 4.0%, respectively, in the fourth quarter. Construction activity also grew strongly, jumping 3.8%. The only significant fourth quarter declines in activity occurred in the retail trade (-1.5%) and utilities (-2.4%) sectors.

For the year as a whole, output gains in 2003 were concentrated in the wholesale trade (+6.1%), financial (+1.8%) and public administration (+4.4%) sectors. Accommodation and food (-5.0%) and transportation (-2.0%) posted declines in real output partly as a result of the SARS outbreak. Utilities output also fell (-5.1%) while the level of manufacturing activity was stable (+0.1%) in 2003.

ONTARIO OUTPUT BY SECTOR

(% change from previous period, chained \$1997)

	2002	2003	2003:1	2003:2	2003:3	2003:4
Goods Sector	3.5	0.1	0.6	-1.9	-1.3	2.6
Primary Industries	2.6	2.8	-1.9	-0.5	0.8	3.2
Manufacturing	3.7	0.1	0.5	-1.9	-2.2	2.8
Of which: Auto Industry	7.3	0.8	0.3	-2.2	0.6	2.6
Construction	3.1	1.2	1.4	0.9	0.7	3.8
Utilities	3.4	-5.1	2.1	-8.1	-1.9	-2.4
Service Sector	4.0	1.9	0.4	0.0	-0.1	0.9
Transportation and Warehousing	2.1	-2.0	-0.7	-1.8	-0.7	1.5
Wholesale and Retail Trade	6.4	4.3	1.5	-0.8	-1.0	1.7
Finance, Insurance and Real Estate	4.5	1.8	-0.3	1.2	0.5	0.3
Information and Cultural Industries	6.0	1.4	0.8	0.3	-1.1	-0.4
Public Administration	1.9	4.4	1.5	-0.1	-1.2	2.2
Ontario Output at Basic Prices	3.8	1.4	0.5	-0.6	-0.6	1.5
(annualized rate on second line)			1.8	-2.3	-2.2	6.1

Note: Real output by sector is measured as real gross domestic product at basic prices in chained 1997 dollars.

MANUFACTURING REBOUNDS

Manufacturing activity bounced back in the fourth quarter, rising 2.8% after two consecutive quarters of decline. Growth in the fourth quarter reflected both a return to normal conditions following the August blackout as well as some catch-up production aimed at replenishing inventories which had been depleted to meet demand while conserving electricity.

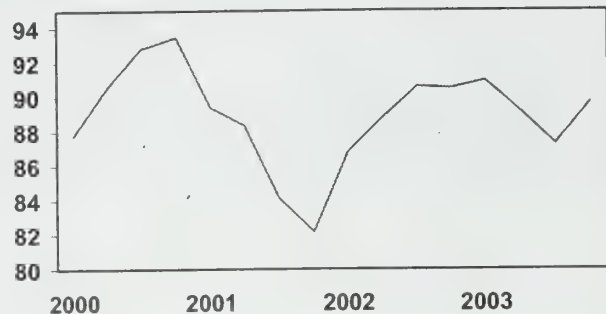
Production in the auto industry advanced 2.6% in the fourth quarter, in part the result of strong automotive exports to the United States. Auto parts production surged 7.0% while auto assembly output fell 2.7%.

All of the other eleven manufacturing industries presented in the Ontario Economic Accounts increased real output in the fourth quarter. The most significant advances in manufacturing activity occurred in the primary metal and fabricated metal products industries (+5.4%) and in the electrical and electronic products industries (+4.5%).

For 2003 as a whole, manufacturing output grew only 0.1%, following growth of 3.7% in 2002. The electrical and electronic products industry raised production for the first time in three years, growing 5.3%. Transportation equipment output fell 2.3% as a modest advance in the auto industry (+0.8%) was cancelled by a large drop in other transportation equipment (-22.9%) as a result of extensive restructuring in the aeronautics industry.

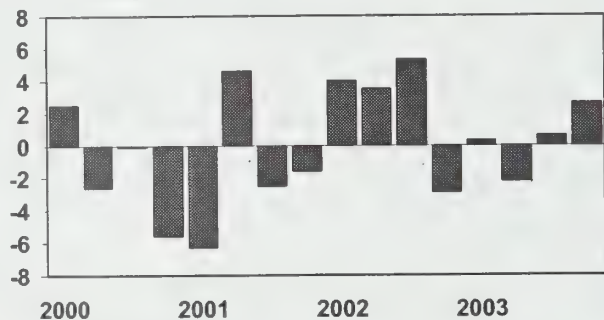
Manufacturing Rebounds in Fourth Quarter

\$ 1997 Billions



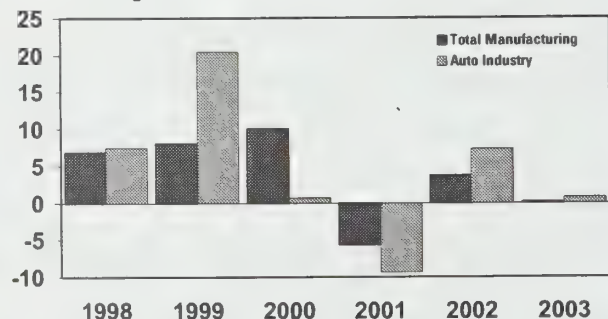
Auto Industry Output Up in Fourth Quarter

Per Cent Change



Manufacturing Growth Pauses in 2003

Per Cent Change



WHOLESALE SECTOR GROWS WHILE RETAIL DECLINES

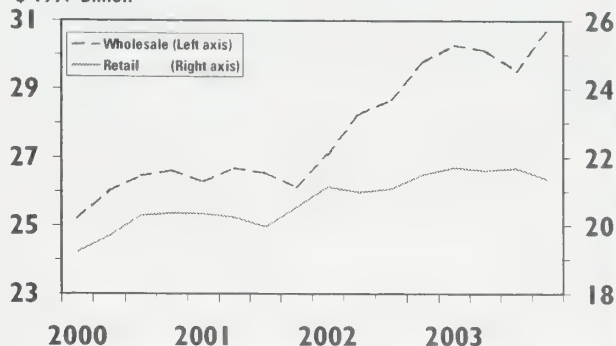
Reflecting the return of manufacturing production to normal levels in the fourth quarter, wholesale trade output jumped 4.0% following a 2.0% decline in the third quarter.

Retailing activity fell 1.5% in the fourth quarter, largely the result of a 10.9% decline in the number of autos sold. This marked the largest decline in retail activity in more than seven years.

In annual terms, wholesale trade grew by 6.1% in 2003 while retail was up 2.0%

Wholesale Rebounds, Retail Down in Fourth Quarter

\$ 1997 Billion



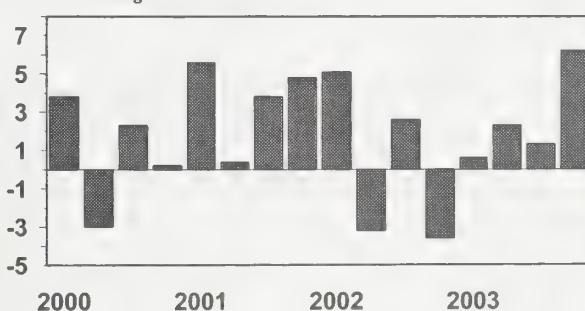
CONSTRUCTION ACTIVITY ACCELERATES

Growth in the construction industry accelerated to 3.8% in the fourth quarter, its best performance since mid-2001. Spurred by strong home renovation activity, residential construction jumped 6.2% in the fourth quarter, continuing the solid growth of the first three quarters of the year. Non-residential construction advanced 2.1% with engineering construction contributing the majority of the growth.

For 2003 as a whole, construction output was up 1.2%, rising for an eighth consecutive year although growth was the slowest since 1998.

Residential Construction Surges in Fourth Quarter

Per Cent Change

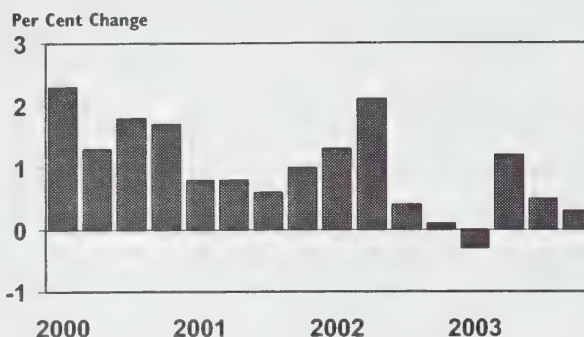


SLOWER GROWTH IN FINANCE

Output of the finance, insurance and real estate sector rose 0.3% in the fourth quarter as a decline in the real estate brokerage industry was offset by higher output by the financial sector – a reflection of positive stock market results as well as higher financing activity by the business sector.

Annually, the finance, insurance and real estate sector rose 1.8% in 2003, slower than the average of recent years.

Finance, Insurance and Real Estate Slows in Fourth Quarter

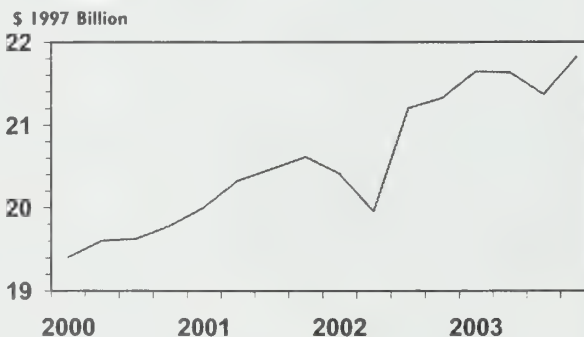


PUBLIC SECTOR ACTIVITY REBOUNDS

Public administration rebounded 2.2% in the fourth quarter, following a 1.2% decline in the third quarter, the result of government office shutdowns resulting from the August blackout.

Annually, public administration output rose 4.4% in 2003, with provincial government activity jumping 12.8% following the work disruptions of 2002.

Government Output Rebounds in Fourth Quarter

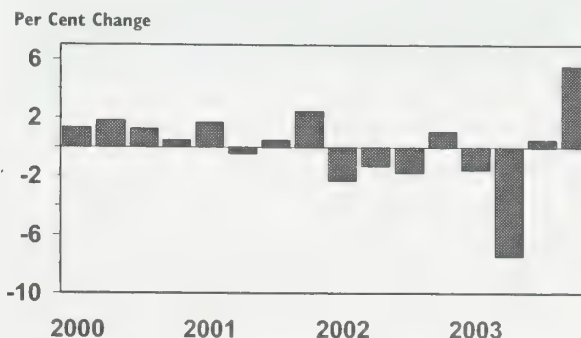


RESOURCES AND UTILITIES

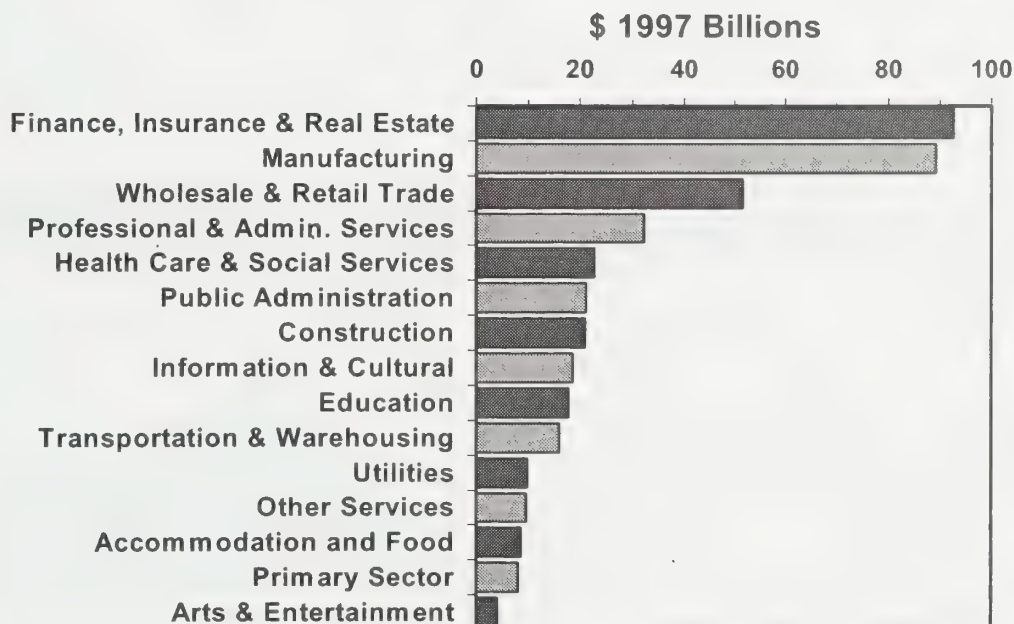
Utilities output fell 2.4% in the fourth quarter as Ontario experienced warmer-than-usual weather. As a result, output in both the electric power (-2.0%) and natural gas distribution industries (-3.9%) declined. For 2003 as a whole, utilities output fell 5.1%, reflecting in part the challenges faced by the electric power generation industry.

Mining output rose 5.6% in the fourth quarter of 2003, as activity returned to normal levels following labour disruptions in the copper, nickel, lead and zinc mining industry which occurred through the middle two quarters of the year.

Mining Output Jumps in Fourth Quarter



Structure of the Ontario Economy, 2003

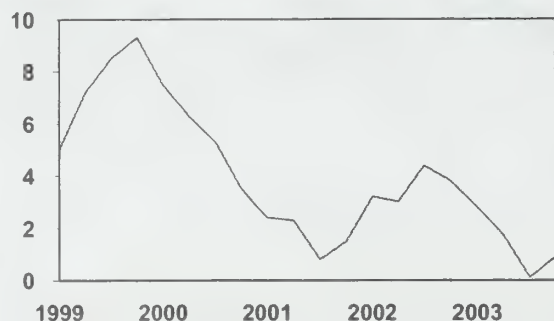


ONTARIO ECONOMIC ACCOUNTS: SUMMARY

(1999:1 - 2003:4)

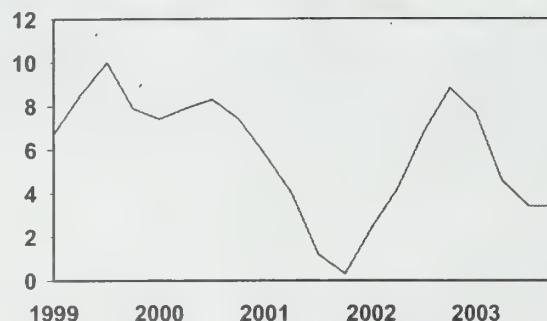
Gross Domestic Product (Chained \$ 1997)

Per Cent Change, Year-Over-Year



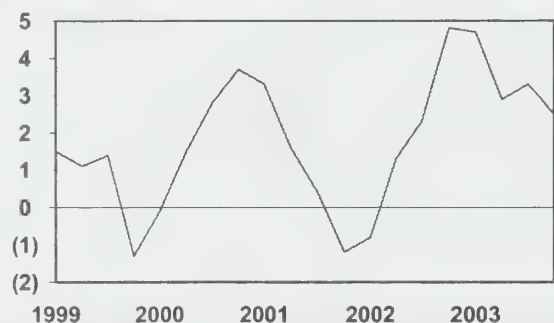
Gross Domestic Product (\$ Current)

Per Cent Change, Year-Over-Year



GDP Deflator (1997 = 100)

Per Cent Change, Year-Over-Year



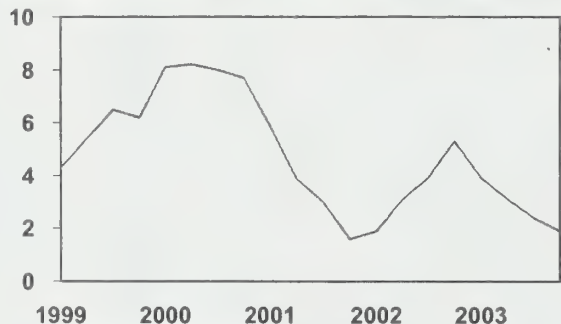
Final Domestic Demand (Chained \$ 1997)

Per Cent Change, Year-Over-Year



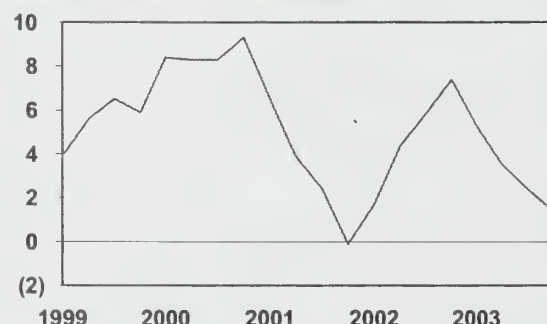
Personal Income (\$ Current)

Per Cent Change, Year-Over-Year



Personal Disposable Income (\$ Current)

Per Cent Change, Year-Over-Year

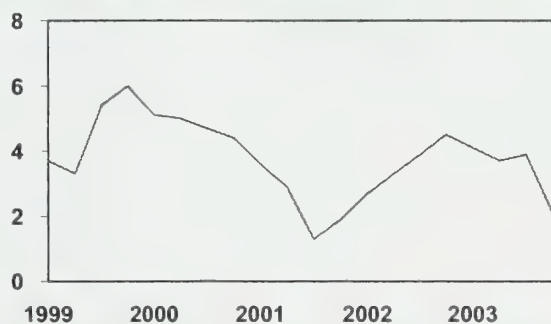


ONTARIO ECONOMIC ACCOUNTS: SUMMARY

(1999:I - 2003:4)

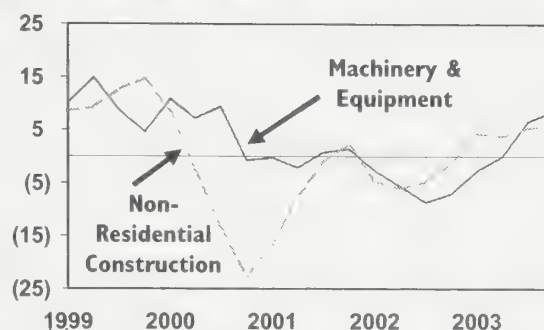
Consumer Spending (Chained \$ 1997)

Per Cent Change, Year-Over-Year



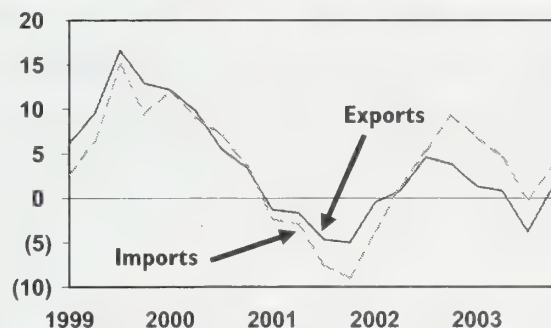
Business Plant & Equipment (Chained \$ 1997)

Per Cent Change, Year-Over-Year



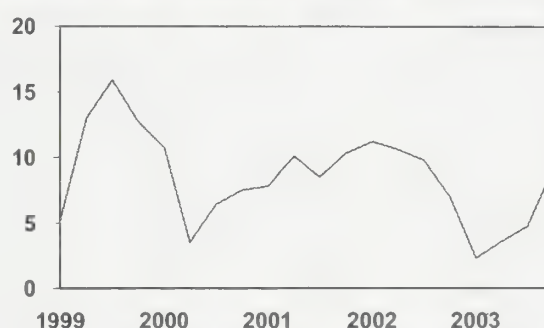
Trade (Chained \$ 1997)

Per Cent Change, Year-Over-Year



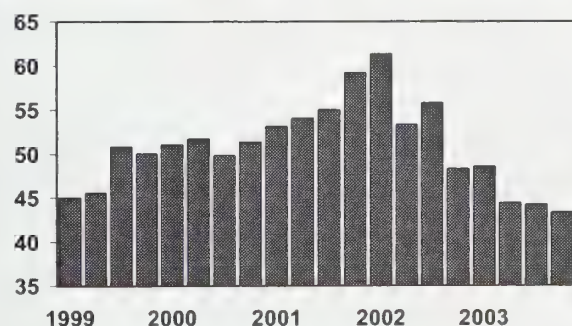
Residential Construction (Chained \$ 1997)

Per Cent Change, Year-Over-Year



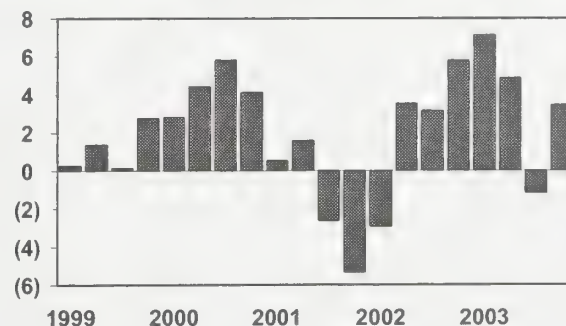
Net Exports (Chained \$ 1997)

\$ Billions



Change in Inventories (Chained \$ 1997)

\$ Billions



LIST OF TABLES

INCOME AND EXPENDITURE DATA

Quarterly Data, 2000:1–2003:4

Table 1: Ontario Gross Domestic Product (Income-Based)	18
Table 2: Ontario Gross Domestic Product (Expenditure-Based)	20
Table 3: Ontario Gross Domestic Product at Chained 1997 Prices	22
Table 4: Sources and Disposition of Ontario Personal Income	24
Table 5: Ontario Trade	26
Table 6: Ontario Deflators	28

Annual Data, 2000–2003

Table 7: Ontario Gross Domestic Product (Income-Based)	30
Table 8: Ontario Gross Domestic Product (Expenditure-Based)	31
Table 9: Ontario Gross Domestic Product at Chained 1997 Prices	32
Table 10: Sources and Disposition of Ontario Personal Income	33
Table 11: Ontario Trade	34
Table 12: Ontario Deflators	35

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

Table 13: Quarterly Data, 2000:1–2003:4	36
Table 14: Annual Data, 2000–2003	40

Historical tables, both annual and quarterly, from 1981 are available on request by e-mailing Macroeconomics@fin.gov.on.ca

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED**TABLE 1***Seasonally adjusted data at annual rates, millions of dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Wages, salaries and supplementary labour income (domestic basis)	226,862 2.6	233,269 2.8	236,562 1.4	238,811 1.0	241,107 1.0	242,377 0.5	243,431 0.4	244,838 0.6
2. Corporation profits before taxes	51,707 -0.1	53,365 3.2	55,544 4.1	58,669 5.6	54,634 -6.9	53,713 -1.7	45,711 -14.9	40,007 -12.5
3. Interest and miscellaneous investment income	17,798 9.1	18,302 2.8	18,540 1.3	16,972 -8.5	17,772 4.7	17,269 -2.8	16,579 -4.0	16,428 -0.9
4. Accrued net income of farm operators from farm production	330 4.8	250 -24.2	145 -42.0	156 7.6	355 127.6	420 18.3	580 38.1	529 -8.8
5. Net income of non-farm unincorporated business, including rent	26,637 1.3	27,232 2.2	27,686 1.7	28,593 3.3	27,932 -2.3	28,611 2.4	28,927 1.1	29,710 2.7
6. Inventory valuation adjustment	-1,210	-701	945	-2,370	-501	130	387	240
7. Indirect taxes less subsidies	56,245 -1.1	56,481 0.4	57,310 1.5	57,664 0.6	56,318 -2.3	58,669 4.2	60,675 3.4	61,498 1.4
8. Capital consumption allowances	49,265 4.4	51,494 4.5	52,650 2.2	53,111 0.9	55,640 4.8	54,483 -2.1	54,425 -0.1	54,341 -0.2
9. Statistical discrepancy	-340	-1,193	-1,822	-2,125	-1,317	156	2,244	3,377
10. Gross Domestic Product at market prices	427,295 2.1	438,498 2.6	447,559 2.1	449,480 0.4	451,940 0.5	455,827 0.9	452,958 -0.6	450,968 -0.4
	* 8.6	* 10.9	* 8.5	* 1.7	* 2.2	* 3.5	* -2.5	* -1.7

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED**TABLE 1***Seasonally adjusted data at annual rates, millions of dollars*

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Wages, salaries and supplementary labour income (domestic basis)	249,156 1.8	252,165 1.2	255,764 1.4	259,174 1.3	260,131 0.4	260,035 -0.0	260,458 0.2	262,702 0.9
2. Corporation profits before taxes	48,159 20.4	54,167 12.5	60,415 11.5	63,666 5.4	65,432 2.8	62,132 -5.0	64,607 4.0	67,870 5.1
3. Interest and miscellaneous investment income	16,730 1.8	17,068 2.0	17,106 0.2	17,244 0.8	17,202 -0.2	16,631 -3.3	16,948 1.9	16,705 -1.4
4. Accrued net income of farm operators from farm production	547 3.4	466 -14.8	547 17.4	532 -2.7	373 -29.9	306 -18.0	202 -34.0	224 10.9
5. Net income of non-farm unincorporated business, including rent	30,372 2.2	31,397 3.4	31,579 0.6	31,916 1.1	32,252 1.1	33,017 2.4	33,705 2.1	34,164 1.4
6. Inventory valuation adjustment	-1,987	-1,265	-1,952	-1,376	1,390	5,159	1,421	1,266
7. Indirect taxes less subsidies	62,317 1.3	62,316 -0.0	61,983 -0.5	61,395 -0.9	61,341 -0.1	60,582 -1.2	61,679 1.8	62,215 0.9
8. Capital consumption allowances	55,345 1.8	58,133 5.0	57,872 -0.4	59,670 3.1	60,436 1.3	61,299 1.4	61,951 1.1	62,819 1.4
9. Statistical discrepancy	2,332	720	268	-1,496	-155	-2,082	-983	-359
10. Gross Domestic Product at market prices	462,972 2.7 11.1	475,168 2.6 11.0	483,583 1.8 7.3	490,725 1.5 6.0	498,402 1.6 6.4	497,079 -0.3 -1.1	499,988 0.6 2.4	507,606 1.5 6.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 2***Seasonally adjusted data at annual rates, millions of dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Personal expenditure on consumer goods and services:	233,015 1.8	236,519 1.5	243,313 2.9	245,453 0.9	247,053 0.7	250,279 1.3	250,698 0.2	252,647 0.8
2. Goods	104,870 2.0	106,183 1.3	109,451 3.1	109,884 0.4	110,365 0.4	112,457 1.9	111,511 -0.8	113,359 1.7
3. Services	128,145 1.6	130,336 1.7	133,863 2.7	135,569 1.3	136,688 0.8	137,821 0.8	139,187 1.0	139,288 0.1
4. Government expenditure on goods and services:	79,202 0.8	81,583 3.0	83,287 2.1	83,180 -0.1	83,952 0.9	85,707 2.1	87,625 2.2	89,520 2.2
5. Current expenditure	69,716 0.6	72,299 3.7	73,682 1.9	73,427 -0.3	73,742 0.4	75,241 2.0	76,927 2.2	78,203 1.7
6. Capital expenditure	9,487 2.1	9,284 -2.1	9,605 3.5	9,752 1.5	10,210 4.7	10,466 2.5	10,699 2.2	11,317 5.8
7. Business gross fixed capital formation:	68,821 1.8	69,044 0.3	68,896 -0.2	68,079 -1.2	69,911 2.7	71,568 2.4	72,362 1.1	71,751 -0.8
8. Residential structures	21,272 4.3	20,877 -1.9	22,086 5.8	22,680 2.7	23,427 3.3	23,981 2.4	24,771 3.3	25,933 4.7
9. Non-residential structures	12,452 -1.0	11,768 -5.5	10,931 -7.1	10,497 -4.0	10,924 4.1	11,227 2.8	11,128 -0.9	10,821 -2.8
10. Machinery and equipment	35,097 1.3	36,399 3.7	35,879 -1.4	34,902 -2.7	35,560 1.9	36,360 2.2	36,463 0.3	34,997 -4.0
11. Exports of goods and services	313,868 2.0	316,216 0.7	324,227 2.5	328,437 1.3	320,881 -2.3	319,538 -0.4	312,124 -2.3	305,922 -2.0
12. DEDUCT: Imports of goods and services	269,467 1.5	270,097 0.2	279,103 3.3	281,672 0.9	272,769 -3.2	271,054 -0.6	264,309 -2.5	256,458 -3.0
13. Value of physical change in inventories:	1,531	4,109	5,109	3,815	1,649	185	-3,310	-9,308
14. Non-farm	1,937	4,279	5,379	3,813	1,635	319	-3,075	-9,278
15. Farm	-406	-176	-280	-10	-12	-145	-223	-20
16. Government	-1	6	10	13	26	11	-12	-9
17. Statistical discrepancy	325	1,124	1,830	2,188	1,263	-396	-2,231	-3,107
18. Gross Domestic Product at market prices	427,295 2.1 8.6	438,498 2.6 10.9	447,559 2.1 8.5	449,480 0.4 1.7	451,940 0.5 2.2	455,827 0.9 3.5	452,958 -0.6 -2.5	450,968 -0.4 -1.7
19. Final domestic demand	381,038 1.6	387,147 1.6	395,496 2.2	396,712 0.3	400,915 1.1	407,554 1.7	410,685 0.8	413,918 0.8

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted data at annual rates, millions of dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Personal expenditure on consumer goods and services:	256,641 1.6	260,979 1.7	265,486 1.7	270,551 1.9	274,307 1.4	274,985 0.2	279,537 1.7	278,848 -0.2
2. Goods	115,875 2.2	116,742 0.7	119,051 2.0	121,868 2.4	123,903 1.7	122,530 -1.1	124,555 1.7	122,008 -2.0
3. Services	140,766 1.1	144,237 2.5	146,435 1.5	148,683 1.5	150,404 1.2	152,455 1.4	154,982 1.7	156,839 1.2
4. Government expenditure on goods and services:	89,851 0.4	91,676 2.0	93,455 1.9	94,911 1.6	96,124 1.3	97,052 1.0	98,512 1.5	99,714 1.2
5. Current expenditure	78,116 -0.1	79,800 2.2	81,360 2.0	82,696 1.6	82,785 0.1	83,672 1.1	85,023 1.6	86,188 1.4
6. Capital expenditure	11,734 3.7	11,876 1.2	12,095 1.8	12,215 1.0	13,339 9.2	13,380 0.3	13,489 0.8	13,526 0.3
7. Business gross fixed capital formation:	72,959 1.7	72,893 -0.1	72,625 -0.4	72,579 -0.1	74,174 2.2	74,067 -0.1	77,056 4.0	78,314 1.6
8. Residential structures	27,469 5.9	27,685 0.8	28,328 2.3	28,637 1.1	29,361 2.5	30,092 2.5	31,632 5.1	33,459 5.8
9. Non-residential structures	10,669 -1.4	10,850 1.7	10,979 1.2	11,118 1.3	11,606 4.4	11,672 0.6	11,927 2.2	12,115 1.6
10. Machinery and equipment	34,820 -0.5	34,359 -1.3	33,318 -3.0	32,824 -1.5	33,207 1.2	32,303 -2.7	33,497 3.7	32,740 -2.3
11. Exports of goods and services	315,880 3.3	320,074 1.3	331,608 3.6	328,214 -1.0	323,440 -1.5	311,089 -3.8	304,663 -2.1	310,293 1.8
12. DEDUCT: Imports of goods and services	263,545 2.8	274,233 4.1	282,211 2.9	284,747 0.9	278,634 -2.1	268,175 -3.8	258,848 -3.5	263,569 1.8
13. Value of physical change in inventories:	-6,471	4,478	3,026	7,594	8,837	5,978	-1,915	3,648
14. Non-farm	-6,562	4,072	3,301	6,864	9,199	6,314	-1,972	3,433
15. Farm	154	349	-184	689	-371	-313	69	218
16. Government	-64	57	-91	41	8	-23	-12	-4
17. Statistical discrepancy	-2,341	-699	-406	1,623	155	2,082	983	359
18. Gross Domestic Product at market prices	462,972 2.7 11.1	475,168 2.6 11.0	483,583 1.8 7.3	490,725 1.5 6.0	498,402 1.6 6.4	497,079 -0.3 -1.1	499,988 0.6 2.4	507,606 1.5 6.2
19. Final domestic demand	419,450 1.3	425,548 1.5	431,565 1.4	438,041 1.5	444,605 1.5	446,104 0.3	455,105 2.0	456,876 0.4

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 3***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Personal expenditure on consumer goods and services:	222,821 1.1	225,481 1.2	229,447 1.8	230,199 0.3	230,753 0.2	232,008 0.5	232,476 0.2	234,603 0.9
2. Goods	100,911 0.9	101,978 1.1	104,083 2.1	103,351 -0.7	103,162 -0.2	103,945 0.8	103,683 -0.3	106,385 2.6
3. Services	121,981 1.1	123,517 1.3	125,343 1.5	126,699 1.1	127,408 0.6	127,868 0.4	128,546 0.5	128,046 -0.4
4. Government expenditure on goods and services:	77,694 0.6	76,719 -1.3	77,833 1.5	78,998 1.5	79,251 0.3	81,130 2.4	82,325 1.5	83,856 1.9
5. Current expenditure	68,275 0.6	67,461 -1.2	68,328 1.3	69,480 1.7	69,252 -0.3	70,876 2.3	71,807 1.3	72,778 1.4
6. Capital expenditure	9,380 0.6	9,217 -1.7	9,468 2.7	9,475 0.1	9,967 5.2	10,224 2.6	10,492 2.6	11,069 5.5
7. Business gross fixed capital formation:	67,615 0.9	67,531 -0.1	67,058 -0.7	65,396 -2.5	67,118 2.6	67,990 1.3	68,973 1.4	68,363 -0.9
8. Residential structures	19,787 2.8	19,588 -1.0	20,404 4.2	20,697 1.4	21,329 3.1	21,565 1.1	22,133 2.6	22,837 3.2
9. Non-residential structures	11,658 -2.9	10,758 -7.7	9,926 -7.7	9,287 -6.4	9,715 4.6	9,936 2.3	9,806 -1.3	9,519 -2.9
10. Machinery and equipment	36,177 1.2	37,301 3.1	36,825 -1.3	35,465 -3.7	36,091 1.8	36,506 1.1	37,080 1.6	35,951 -3.0
11. Exports of goods and services	308,542 1.6	309,231 0.2	315,366 2.0	314,277 -0.3	304,650 -3.1	304,028 -0.2	300,482 -1.2	298,460 -0.7
12. DEDUCT: Imports of goods and services	257,502 1.5	257,524 0.0	265,516 3.1	262,943 -1.0	251,512 -4.3	249,970 -0.6	245,512 -1.8	239,278 -2.5
13. Value of physical change in inventories:	2,643	4,273	5,480	4,390	596	1,546	-2,745	-5,226
14. Non-farm	2,841	4,436	5,830	4,129	535	1,587	-2,654	-5,332
15. Farm	-212	-194	-392	174	18	-83	-188	22
16. Government	-1	6	10	12	25	11	-11	-9
17. Statistical discrepancy	314	1,084	1,765	2,110	1,206	-378	-2,131	-2,967
18. Gross Domestic Product at market prices	421,895 1.1 4.6	426,557 1.1 4.5	431,061 1.1 4.3	432,016 0.2 0.9	431,961 -0.0 -0.1	436,579 1.1 4.3	434,487 -0.5 -1.9	438,538 0.9 3.8
19. Final domestic demand	368,018 0.9	369,637 0.4	374,280 1.3	374,578 0.1	377,067 0.7	381,055 1.1	383,675 0.7	386,747 0.8

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 3***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Personal expenditure on consumer goods and services:	237,028 1.0	239,688 1.1	241,435 0.7	245,105 1.5	246,842 0.7	248,590 0.7	250,922 0.9	250,274 -0.3
2. Goods	108,363 1.9	108,197 -0.2	108,700 0.5	111,133 2.2	111,964 0.7	112,164 0.2	113,344 1.1	111,483 -1.6
3. Services	128,550 0.4	131,377 2.2	132,666 1.0	133,975 1.0	134,881 0.7	136,420 1.1	137,575 0.8	138,744 0.8
4. Government expenditure on goods and services:	83,481 -0.4	84,895 1.7	85,648 0.9	86,402 0.9	87,163 0.9	88,113 1.1	87,658 -0.5	88,600 1.1
5. Current expenditure	72,121 -0.9	73,342 1.7	73,964 0.8	74,577 0.8	74,715 0.2	75,506 1.1	75,027 -0.6	75,859 1.1
6. Capital expenditure	11,359 2.6	11,548 1.7	11,675 1.1	11,813 1.2	12,464 5.5	12,624 1.3	12,653 0.2	12,761 0.9
7. Business gross fixed capital formation:	68,242 -0.2	67,829 -0.6	67,800 -0.0	67,634 -0.2	68,433 1.2	69,153 1.1	71,623 3.6	73,346 2.4
8. Residential structures	23,715 3.8	23,848 0.6	24,291 1.9	24,430 0.6	24,271 -0.7	24,694 1.7	25,422 2.9	26,676 4.9
9. Non-residential structures	9,264 -2.7	9,338 0.8	9,349 0.1	9,396 0.5	9,669 2.9	9,697 0.3	9,866 1.7	9,953 0.9
10. Machinery and equipment	35,119 -2.3	34,409 -2.0	33,838 -1.7	33,422 -1.2	34,166 2.2	34,405 0.7	36,065 4.8	36,258 0.5
11. Exports of goods and services	303,173 1.6	306,589 1.1	314,225 2.5	309,905 -1.4	307,013 -0.9	309,174 0.7	302,212 -2.3	314,272 4.0
12. DEDUCT: Imports of goods and services	241,854 1.1	253,240 4.7	258,449 2.1	261,642 1.2	258,440 -1.2	264,774 2.5	257,978 -2.6	270,959 5.0
13. Value of physical change in inventories:	-2,782	3,917	2,901	6,483	7,153	4,880	-1,067	3,888
14. Non-farm	-2,930	3,544	3,155	5,807	7,138	4,870	-1,180	3,444
15. Farm	113	280	-204	578	-137	-99	139	353
16. Government	-61	56	-85	42	8	-23	-12	-4
17. Statistical discrepancy	-2,234	-667	-388	1,548	142	1,915	893	325
18. Gross Domestic Product at market prices	445,871 1.7 6.9	449,460 0.8 3.3	453,646 0.9 3.8	455,376 0.4 1.5	458,399 0.7 2.7	457,147 -0.3 -1.1	454,195 -0.6 -2.6	459,575 1.2 4.8
19. Final domestic demand	388,699 0.5	392,356 0.9	394,827 0.6	399,102 1.1	402,392 0.8	405,804 0.8	410,090 1.1	412,060 0.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Wages, salaries and supplementary labour income (national basis)	223,193 2.4	229,840 3.0	233,492 1.6	236,176 1.1	238,571 1.0	239,747 0.5	240,545 0.3	240,617 0.0
2. Net income of farm operators from farm production	330 4.8	250 -24.2	145 -42.0	156 7.6	355 127.6	420 18.3	580 38.1	529 -8.8
3. Net income of non-farm unincorporated business, including rent	26,637 1.3	27,232 2.2	27,686 1.7	28,593 3.3	27,932 -2.3	28,611 2.4	28,927 1.1	29,710 2.7
4. Interest, dividends and miscellaneous investment income	46,525 4.4	47,618 2.3	47,657 0.1	48,069 0.9	47,791 -0.6	47,360 -0.9	46,772 -1.2	45,328 -3.1
5. Current transfers from government, corporations and non-residents	42,740 6.9	40,938 -4.2	41,133 0.5	41,301 0.4	44,734 8.3	43,124 -3.6	43,692 1.3	43,787 0.2
6. Equals: Personal income	339,424 3.1	345,878 1.9	350,112 1.2	354,293 1.2	359,384 1.4	359,262 -0.0	360,516 0.3	359,970 -0.2
7. Deduct: Personal direct taxes	59,187 1.5	60,161 1.6	60,832 1.1	58,636 -3.6	60,868 3.8	61,581 1.2	62,863 2.1	62,488 -0.6
8. Other current transfers to government	22,252 4.6	22,520 1.2	22,828 1.4	22,985 0.7	23,807 3.6	24,157 1.5	24,720 2.3	25,117 1.6
9. Equals: Personal disposable income	257,986 3.4	263,197 2.0	266,453 1.2	272,672 2.3	274,709 0.7	273,524 -0.4	272,933 -0.2	272,365 -0.2
10. Deduct: Personal expenditure on consumer goods and services	233,015 1.8	236,519 1.5	243,313 2.9	245,453 0.9	247,053 0.7	250,279 1.3	250,698 0.2	252,647 0.8
11. Current transfers to corporations	4,393 1.8	4,737 7.8	4,866 2.7	5,112 5.1	4,999 -2.2	5,202 4.1	4,935 -5.1	4,756 -3.6
12. Current transfers to non-residents	655 -3.0	664 1.4	676 1.8	685 1.3	720 5.1	774 7.5	805 4.0	817 1.5
13. Equals: Personal saving	19,922 27.7	21,277 6.8	17,598 -17.3	21,423 21.7	21,938 2.4	17,269 -21.3	16,495 -4.5	14,146 -14.2
14. Personal saving rate (percent)	7.7	8.1	6.6	7.9	8.0	6.3	6.0	5.2
15. Real personal disposable income * (millions of chained (1997) dollars)	246,699 2.7	250,914 1.7	251,268 0.1	255,727 1.8	256,586 0.3	253,557 -1.2	253,095 -0.2	252,913 -0.1
16. Population (thousands)	11,579 0.2	11,623 0.4	11,685 0.5	11,751 0.6	11,774 0.2	11,828 0.5	11,898 0.6	11,963 0.5
17. Personal disposable income per capita (dollars)	22,281 3.2	22,644 1.6	22,802 0.7	23,205 1.8	23,331 0.5	23,124 -0.9	22,940 -0.8	22,767 -0.8
18. Real personal disposable income per capita (chained (1997) dollars)	21,306 2.5	21,587 1.3	21,503 -0.4	21,763 1.2	21,792 0.1	21,436 -1.6	21,273 -0.8	21,141 -0.6

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

		2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1.	Wages, salaries and supplementary labour income (national basis)	245,475 2.0	248,762 1.3	252,696 1.6	256,428 1.5	257,377 0.4	257,281 -0.0	257,700 0.2	259,920 0.9
2.	Net income of farm operators from farm production	547 3.4	466 -14.8	547 17.4	532 -2.7	373 -29.9	306 -18.0	202 -34.0	224 10.9
3.	Net income of non-farm unincorporated business, including rent	30,372 2.2	31,397 3.4	31,579 0.6	31,916 1.1	32,252 1.1	33,017 2.4	33,705 2.1	34,164 1.4
4.	Interest, dividends and miscellaneous investment income	44,557 -1.7	44,375 -0.4	43,904 -1.1	43,271 -1.4	43,219 -0.1	43,279 0.1	43,781 1.2	43,251 -1.2
5.	Current transfers from government, corporations and non-residents	45,105 3.0	45,234 0.3	45,797 1.2	46,815 2.2	47,038 0.5	47,644 1.3	48,252 1.3	48,532 0.6
6.	Equals: Personal income	366,056 1.7	370,234 1.1	374,524 1.2	378,962 1.2	380,259 0.3	381,527 0.3	383,640 0.6	386,091 0.6
7.	Deduct: Personal direct taxes	61,043 -2.3	58,938 -3.4	59,650 1.2	60,305 1.1	59,460 -1.4	59,388 -0.1	61,085 2.9	62,614 2.5
8.	Other current transfers to government	25,545 1.7	25,746 0.8	26,035 1.1	26,123 0.3	26,416 1.1	26,535 0.5	26,784 0.9	27,085 1.1
9.	Equals: Personal disposable income	279,469 2.6	285,550 2.2	288,838 1.2	292,535 1.3	294,383 0.6	295,604 0.4	295,771 0.1	296,392 0.2
10.	Deduct: Personal expenditure on consumer goods and services	256,641 1.6	260,979 1.7	265,486 1.7	270,551 1.9	274,307 1.4	274,985 0.2	279,537 1.7	278,848 -0.2
11.	Current transfers to corporations	4,612 -3.0	4,462 -3.3	4,726 5.9	4,880 3.3	5,066 3.8	5,131 1.3	5,250 2.3	5,305 1.0
12.	Current transfers to non-residents	773 -5.4	828 7.1	827 -0.1	839 1.5	799 -4.8	854 6.9	867 1.5	876 1.0
13.	Equals: Personal saving	17,442 23.3	19,281 10.5	17,800 -7.7	16,265 -8.6	14,211 -12.6	14,634 3.0	10,117 -30.9	11,363 12.3
14.	Personal saving rate (percent)	6.2	6.8	6.2	5.6	4.8	5.0	3.4	3.8
15.	Real personal disposable income * (millions of chained (1997) dollars)	258,112 2.1	262,254 1.6	262,672 0.2	265,022 0.9	264,908 -0.0	267,230 0.9	265,494 -0.6	266,021 0.2
16.	Population (thousands)	11,982 0.2	12,032 0.4	12,097 0.5	12,145 0.4	12,157 0.1	12,193 0.3	12,238 0.4	12,281 0.3
17.	Personal disposable income per capita (dollars)	23,323 2.4	23,732 1.8	23,878 0.6	24,086 0.9	24,216 0.5	24,243 0.1	24,168 -0.3	24,135 -0.1
18.	Real personal disposable income per capita (chained (1997) dollars)	21,541 1.9	21,796 1.2	21,715 -0.4	21,821 0.5	21,791 -0.1	21,916 0.6	21,694 -1.0	21,662 -0.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 5***Seasonally adjusted data at annual rates, millions of dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Exports of goods and services	313,868 2.0	316,216 0.7	324,227 2.5	328,437 1.3	320,881 -2.3	319,538 -0.4	312,124 -2.3	305,922 -2.0
2. Of which: International	233,150 2.7	234,894 0.7	236,739 0.8	242,085 2.3	235,128 -2.9	234,285 -0.4	228,059 -2.7	225,456 -1.1
3. Of which: Interprovincial	80,718 0.2	81,322 0.7	87,488 7.6	86,352 -1.3	85,754 -0.7	85,252 -0.6	84,064 -1.4	80,466 -4.3
4. Imports of goods and services	269,467 1.5	270,097 0.2	279,103 3.3	281,672 0.9	272,769 -3.2	271,054 -0.6	264,309 -2.5	256,458 -3.0
5. Trade balance	44,401	46,119	45,124	46,765	48,113	48,484	47,815	49,464

Note: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 5***Seasonally adjusted data at annual rates, millions of dollars*

	<u>2002 I</u>	<u>2002 II</u>	<u>2002 III</u>	<u>2002 IV</u>	<u>2003 I</u>	<u>2003 II</u>	<u>2003 III</u>	<u>2003 IV</u>
1. Exports of goods and services	315,880 3.3	320,074 1.3	331,608 3.6	328,214 -1.0	323,440 -1.5	311,089 -3.8	304,663 -2.1	310,293 1.8
2. Of which: International	231,748 2.8	232,674 0.4	240,429 3.3	233,530 -2.9	228,415 -2.2	217,297 -4.9	210,875 -3.0	215,556 2.2
3. Of which: Interprovincial	84,132 4.6	87,401 3.9	91,179 4.3	94,684 3.8	95,025 0.4	93,792 -1.3	93,788 -0.0	94,737 1.0
4. Imports of goods and services	263,545 2.8	274,233 4.1	282,211 2.9	284,747 0.9	278,634 -2.1	268,175 -3.8	258,848 -3.5	263,569 1.8
5. Trade balance	52,334	45,841	49,397	43,467	44,806	42,914	45,815	46,724

*Note: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT**TABLE 6***Using seasonally adjusted data, chained (1997) dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Personal expenditure on consumer goods and services:	104.6 0.7	104.9 0.3	106.0 1.1	106.6 0.5	107.1 0.4	107.9 0.8	107.8 -0.0	107.7 -0.1
2. Goods	103.9 1.0	104.1 0.2	105.2 1.0	106.3 1.1	107.0 0.6	108.2 1.1	107.5 -0.6	106.6 -0.9
3. Services	105.1 0.5	105.5 0.4	106.8 1.2	107.0 0.2	107.3 0.3	107.8 0.5	108.3 0.5	108.8 0.5
4. Government expenditure on goods and services:	101.9 0.2	106.3 4.3	107.0 0.6	105.3 -1.6	105.9 0.6	105.6 -0.3	106.4 0.8	106.8 0.3
5. Current expenditure	102.1 0.0	107.2 5.0	107.8 0.6	105.7 -2.0	106.5 0.8	106.2 -0.3	107.1 0.9	107.5 0.3
6. Capital expenditure	101.1 1.4	100.7 -0.4	101.5 0.7	102.9 1.5	102.4 -0.5	102.4 -0.1	102.0 -0.4	102.2 0.3
7. Business gross fixed capital formation:	101.8 0.9	102.2 0.4	102.7 0.5	104.1 1.3	104.2 0.1	105.3 1.1	104.9 -0.3	105.0 0.0
8. Residential structures	107.5 1.4	106.6 -0.9	108.2 1.6	109.6 1.2	109.8 0.2	111.2 1.2	111.9 0.6	113.6 1.5
9. Non-residential structures	106.8 2.0	109.4 2.4	110.1 0.7	113.0 2.6	112.4 -0.5	113.0 0.5	113.5 0.4	113.7 0.2
10. Machinery and equipment	97.0 0.2	97.6 0.6	97.4 -0.2	98.4 1.0	98.5 0.1	99.6 1.1	98.3 -1.3	97.3 -1.0
11. Exports of goods and services	101.7 0.4	102.3 0.5	102.8 0.5	104.5 1.6	105.3 0.8	105.1 -0.2	103.9 -1.2	102.5 -1.3
12. DEDUCT: Imports of goods and services	104.6 0.1	104.9 0.2	105.1 0.2	107.1 1.9	108.5 1.2	108.4 -0.0	107.7 -0.7	107.2 -0.4
13. Gross Domestic Product at market prices	101.3 1.0 3.9	102.8 1.5 6.1	103.8 1.0 4.1	104.0 0.2 0.8	104.6 0.6 2.3	104.4 -0.2 -0.8	104.3 -0.2 -0.6	102.8 -1.4 -5.3
* 14. Final domestic demand	103.5 0.6	104.7 1.2	105.7 0.9	105.9 0.2	106.3 0.4	107.0 0.6	107.0 0.1	107.0 -0.0

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

Using seasonally adjusted data, chained (1997) dollars

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Personal expenditure on consumer goods and services:	108.3 0.5	108.9 0.6	110.0 1.0	110.4 0.4	111.1 0.7	110.6 -0.5	111.4 0.7	111.4 0.0
2. Goods	106.9 0.4	107.9 0.9	109.5 1.5	109.7 0.1	110.7 0.9	109.2 -1.3	109.9 0.6	109.4 -0.4
3. Services	109.5 0.7	109.8 0.3	110.4 0.5	111.0 0.5	111.5 0.5	111.8 0.2	112.7 0.8	113.0 0.3
4. Government expenditure on goods and services:	107.6 0.8	108.0 0.3	109.1 1.0	109.8 0.7	110.3 0.4	110.1 -0.1	112.4 2.0	112.5 0.1
5. Current expenditure	108.3 0.8	108.8 0.5	110.0 1.1	110.9 0.8	110.8 -0.1	110.8 0.0	113.3 2.3	113.6 0.3
6. Capital expenditure	103.3 1.0	102.8 -0.4	103.6 0.7	103.4 -0.2	107.0 3.5	106.0 -1.0	106.6 0.6	106.0 -0.6
7. Business gross fixed capital formation:	106.9 1.9	107.5 0.5	107.1 -0.3	107.3 0.2	108.4 1.0	107.1 -1.2	107.6 0.4	106.8 -0.8
8. Residential structures	115.8 2.0	116.1 0.2	116.6 0.5	117.2 0.5	121.0 3.2	121.9 0.7	124.4 2.1	125.4 0.8
9. Non-residential structures	115.2 1.3	116.2 0.9	117.4 1.1	118.3 0.8	120.0 1.4	120.4 0.3	120.9 0.4	121.7 0.7
10. Machinery and equipment	99.2 1.9	99.9 0.7	98.5 -1.4	98.2 -0.3	97.2 -1.0	93.9 -3.4	92.9 -1.1	90.3 -2.8
11. Exports of goods and services	104.2 1.6	104.4 0.2	105.5 1.1	105.9 0.4	105.4 -0.5	100.6 -4.5	100.8 0.2	98.7 -2.1
12. DEDUCT: Imports of goods and services	109.0 1.7	108.3 -0.6	109.2 0.8	108.8 -0.3	107.8 -0.9	101.3 -6.1	100.3 -0.9	97.3 -3.1
13. Gross Domestic Product at market prices	103.8 1.0 4.0	105.7 1.8 7.5	106.6 0.8 3.4	107.8 1.1 4.4	108.7 0.9 3.6	108.7 0.0 0.0	110.1 1.2 5.0	110.5 0.3 1.3
14. Final domestic demand	107.9 0.8	108.5 0.5	109.3 0.8	109.8 0.4	110.5 0.7	109.9 -0.5	111.0 1.0	110.9 -0.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 7

Millions of dollars

	2000	2001	2002	2003
1. Wages, salaries and supplementary labour income (domestic basis)	233,876 9.0	242,938 3.9	254,065 4.6	260,832 2.7
2. Corporation profits before taxes	54,821 10.2	48,516 -11.5	56,602 16.7	65,010 14.9
3. Interest and miscellaneous investment income	17,903 5.7	17,012 -5.0	17,037 0.1	16,872 -1.0
4. Accrued net income of farm operators from farm production	220 -5.1	471 113.8	523 11.0	276 -47.2
5. Net income of non-farm unincorporated business, including rent	27,537 7.8	28,795 4.6	31,316 8.8	33,285 6.3
6. Inventory valuation adjustment	-834	64	-1,645	2,309
7. Indirect taxes less subsidies	56,925 3.6	59,290 4.2	62,003 4.6	61,454 -0.9
8. Capital consumption allowances	51,630 7.2	54,722 6.0	57,755 5.5	61,626 6.7
9. Statistical discrepancy	-1,370	1,115	456	-895
10. Gross Domestic Product at market prices	440,708 7.7	452,923 2.8	478,112 5.6	500,769 4.7

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 8

Millions of dollars

	2000	2001	2002	2003
1. Personal expenditure on consumer goods and services:	239,575 7.2	250,169 4.4	263,414 5.3	276,919 5.1
2. Goods	107,597 7.3	111,923 4.0	118,384 5.8	123,249 4.1
3. Services	131,978 7.0	138,246 4.7	145,030 4.9	153,670 6.0
4. Government expenditure on goods and services:	81,813 7.0	86,701 6.0	92,473 6.7	97,851 5.8
5. Current expenditure	72,281 6.8	76,028 5.2	80,493 5.9	84,417 4.9
6. Capital expenditure	9,532 8.2	10,673 12.0	11,980 12.2	13,434 12.1
7. Business gross fixed capital formation:	68,710 5.2	71,398 3.9	72,764 1.9	75,903 4.3
8. Residential structures	21,729 10.1	24,528 12.9	28,030 14.3	31,136 11.1
9. Non-residential structures	11,412 -3.5	11,025 -3.4	10,904 -1.1	11,830 8.5
10. Machinery and equipment	35,569 5.4	35,845 0.8	33,830 -5.6	32,937 -2.6
11. Exports of goods and services	320,687 9.7	314,616 -1.9	323,944 3.0	312,371 -3.6
12. DEDUCT: Imports of goods and services	275,085 10.4	266,147 -3.2	276,184 3.8	267,306 -3.2
13. Value of physical change in inventories:	3,641	-2,696	2,157	4,137
14. Non-farm	3,852	-2,600	1,919	4,244
15. Farm	-218	-100	252	-99
16. Government	7	4	-14	-8
17. Statistical discrepancy	1,367	-1,118	-456	895
18. Gross Domestic Product at market prices	440,708 7.7	452,923 2.8	478,112 5.6	500,769 4.7
19. Final domestic demand	390,098 6.8	408,268 4.7	428,651 5.0	450,673 5.1

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 9

Millions of chained (1997) dollars

	2000	2001	2002	2003
1. Personal expenditure on consumer goods and services:	226,987 4.8	232,460 2.4	240,814 3.6	249,157 3.5
2. Goods	102,581 4.8	104,294 1.7	109,098 4.6	112,239 2.9
3. Services	124,385 4.7	127,967 2.9	131,642 2.9	136,905 4.0
4. Government expenditure on goods and services:	77,811 3.6	81,640 4.9	85,106 4.2	87,883 3.3
5. Current expenditure	68,386 3.4	71,178 4.1	73,501 3.3	75,277 2.4
6. Capital expenditure	9,385 5.5	10,438 11.2	11,599 11.1	12,626 8.9
7. Business gross fixed capital formation:	66,900 4.0	68,111 1.8	67,876 -0.3	70,639 4.1
8. Residential structures	20,119 7.0	21,966 9.2	24,071 9.6	25,266 5.0
9. Non-residential structures	10,407 -8.1	9,744 -6.4	9,337 -4.2	9,796 4.9
10. Machinery and equipment	36,442 6.5	36,407 -0.1	34,197 -6.1	35,224 3.0
11. Exports of goods and services	311,854 7.6	301,905 -3.2	308,473 2.2	308,168 -0.1
12. DEDUCT: Imports of goods and services	260,871 7.8	246,568 -5.5	253,796 2.9	263,038 3.6
13. Value of physical change in inventories:	4,196	-1,457	2,630	3,714
14. Non-farm	4,309	-1,466	2,394	3,568
15. Farm	-156	-58	192	64
16. Government	7	4	-12	-8
17. Statistical discrepancy	1,318	-1,068	-435	819
18. Gross Domestic Product at market prices	427,882 5.6	435,391 1.8	451,088 3.6	457,329 1.4
19. Final domestic demand	371,628 4.4	382,136 2.8	393,746 3.0	407,586 3.5

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 10

Millions of dollars

	2000	2001	2002	2003
1. Wages, salaries and supplementary labour income (national basis)	230,675 8.9	239,870 4.0	250,840 4.6	258,070 2.9
2. Net income of farm operators from farm production	220 -5.1	471 113.8	523 11.0	276 -47.2
3. Net income of non-farm unincorporated business, including rent	27,537 7.8	28,795 4.6	31,316 8.8	33,285 6.3
4. Interest, dividends and miscellaneous investment income	47,467 6.5	46,813 -1.4	44,027 -6.0	43,383 -1.5
5. Current transfers from government, corporations and non-residents	41,528 4.9	43,834 5.6	45,738 4.3	47,867 4.7
6. Equals: Personal income	347,427 8.0	359,783 3.6	372,444 3.5	382,879 2.8
7. Deduct: Personal direct taxes	59,704 4.8	61,950 3.8	59,984 -3.2	60,637 1.1
8. Other current transfers to government	22,646 9.9	24,450 8.0	25,862 5.8	26,705 3.3
9. Equals: Personal disposable income	265,077 8.6	273,383 3.1	286,598 4.8	295,538 3.1
10. Deduct: Personal expenditure on consumer goods and services	239,575 7.2	250,169 4.4	263,414 5.3	276,919 5.1
11. Current transfers to corporations	4,777 16.9	4,973 4.1	4,670 -6.1	5,188 11.1
12. Current transfers to non-residents	670 3.1	779 16.3	817 4.8	849 3.9
13. Equals: Personal saving	20,055 26.6	17,462 -12.9	17,697 1.3	12,581 -28.9
14. Personal saving rate (percent)	7.6	6.4	6.2	4.3
15. Real personal disposable income * (millions of chained (1997) dollars)	251,152 6.2	254,038 1.1	262,015 3.1	265,913 1.5
16. Population (thousands)	11,685 1.6	11,898 1.8	12,097 1.7	12,238 1.2
17. Personal disposable income per capita (dollars)	22,685 6.9	22,978 1.3	23,692 3.1	24,149 1.9
18. Real personal disposable income per capita (chained (1997) dollars)	21,495 4.5	21,352 -0.7	21,662 1.5	21,728 0.3

Notes: Per cent change from previous year is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 11***Millions of dollars*

	2000	2001	2002	2003
1. Exports of goods and services	320,687 9.7	314,616 -1.9	323,944 3.0	312,371 -3.6
2. Of which: International	236,717 9.2	230,732 -2.5	234,595 1.7	218,035 -7.1
3. Of which: Interprovincial	83,970 11.3	83,884 -0.1	89,349 6.5	94,335 5.6
4. Imports of goods and services	275,085 10.4	266,147 -3.2	276,184 3.8	267,306 -3.2
5. Trade balance	45,602	48,469	47,760	45,065

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT**TABLE 12***Using chained (1997) dollars*

	2000	2001	2002	2003
1. Personal expenditure on consumer goods and services:	105.5 2.3	107.6 2.0	109.4 1.6	111.1 1.6
2. <i>Goods</i>	104.9 2.4	107.3 2.3	108.5 1.1	109.8 1.2
3. <i>Services</i>	106.1 2.2	108.0 1.8	110.2 2.0	112.2 1.9
4. Government expenditure on goods and services:	105.1 3.2	106.2 1.0	108.6 2.3	111.3 2.5
5. <i>Current expenditure</i>	105.7 3.3	106.8 1.0	109.5 2.5	112.1 2.4
6. <i>Capital expenditure</i>	101.6 2.6	102.3 0.7	103.3 1.0	106.4 3.0
7. Business gross fixed capital formation:	102.7 1.2	104.8 2.1	107.2 2.3	107.5 0.2
8. <i>Residential structures</i>	108.0 2.9	111.6 3.4	116.4 4.3	123.2 5.8
9. <i>Non-residential structures</i>	109.8 5.2	113.1 3.0	116.8 3.2	120.8 3.4
10. <i>Machinery and equipment</i>	97.6 -1.1	98.5 0.9	98.9 0.5	93.6 -5.4
11. Exports of goods and services	102.8 1.9	104.2 1.3	105.0 0.8	101.4 -3.5
12. DEDUCT: Imports of goods and services	105.4 2.5	107.9 2.4	108.8 0.8	101.7 -6.6
13. Gross Domestic Product at market prices	103.0 2.0	104.0 1.0	106.0 1.9	109.5 3.3
14. Final domestic demand	105.0 2.3	106.8 1.8	108.9 1.9	110.6 1.6

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
1. Goods Producing Industries	124,716 3.1	127,104 1.9	128,659 1.2	129,130 0.4	125,852 -2.5	125,838 -0.0	122,165 -2.9	121,238 -0.8
2. Primary	7,801 -0.8	7,945 1.9	7,845 -1.3	7,786 -0.8	7,717 -0.9	7,628 -1.2	7,486 -1.9	7,510 0.3
3. Agriculture, Forestry, Fishing & Hunting	4,788 -2.1	4,895 2.2	4,765 -2.6	4,710 -1.2	4,580 -2.8	4,528 -1.2	4,347 -4.0	4,258 -2.0
4. Mining	3,035 1.3	3,090 1.8	3,128 1.2	3,143 0.5	3,196 1.7	3,181 -0.5	3,195 0.5	3,273 2.4
5. Utilities	9,942 -1.0	10,034 0.9	9,842 -1.9	9,907 0.7	9,730 -1.8	10,025 3.0	9,799 -2.2	10,051 2.6
6. Electric Power	7,945 -2.6	7,905 -0.5	7,699 -2.6	7,701 0.0	7,593 -1.4	7,917 4.3	7,769 -1.9	8,004 3.0
7. Natural Gas, Water and Other	1,990 6.1	2,122 6.7	2,137 0.7	2,200 2.9	2,131 -3.1	2,101 -1.4	2,024 -3.7	2,040 0.8
8. Construction	18,843 1.2	18,422 -2.2	18,254 -0.9	18,094 -0.9	18,969 4.8	19,547 3.0	20,348 4.1	21,100 3.7
9. Residential Buildings	7,245 3.8	7,027 -3.0	7,188 2.3	7,200 0.2	7,604 5.6	7,638 0.4	7,931 3.8	8,311 4.8
10. Non-Residential Buildings and Engineering	11,578 -0.3	11,383 -1.7	11,074 -2.7	10,918 -1.4	11,377 4.2	11,909 4.7	12,415 4.2	12,780 2.9
11. Manufacturing	87,771 4.1	90,527 3.1	92,815 2.5	93,468 0.7	89,381 -4.4	88,321 -1.2	84,095 -4.8	82,147 -2.3
12. Food, Beverage, & Tobacco Products	9,326 -0.9	9,351 0.3	9,253 -1.0	9,438 2.0	9,742 3.2	9,885 1.5	9,951 0.7	10,077 1.3
13. Textile, Clothing, & Leather Products	2,003 7.5	2,178 8.8	2,278 4.6	2,429 6.7	2,245 -7.6	2,127 -5.3	1,944 -8.6	1,856 -4.5
14. Wood Products and Furniture	4,312 6.9	4,838 12.2	5,066 4.7	5,182 2.3	5,025 -3.0	4,819 -4.1	4,525 -6.1	4,439 -1.9
15. Paper Products and Printing	5,766 3.4	6,206 7.6	6,509 4.9	6,888 5.8	6,596 -4.2	6,149 -6.8	6,035 -1.9	5,808 -3.8
16. Chemical and Petroleum Products	7,329 -0.9	7,511 2.5	7,920 5.4	8,276 4.5	7,933 -4.2	7,978 0.6	7,500 -6.0	7,459 -0.6
17. Plastic and Rubber Products	5,647 6.7	5,613 -0.6	6,095 8.6	6,320 3.7	6,375 0.9	6,223 -2.4	5,954 -4.3	5,901 -0.9
18. Primary Metal & Fabricated Metal Products	12,300 6.2	12,634 2.7	12,914 2.2	13,107 1.5	12,513 -4.5	12,525 0.1	12,319 -1.6	12,128 -1.6
19. Machinery	6,143 10.9	6,709 9.2	6,692 -0.3	6,714 0.3	6,429 -4.2	6,191 -3.7	5,821 -6.0	5,522 -5.1

*Notes: Ontario Production is measured as Gross Domestic Product at basic prices.**Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2000 I	2000 II	2000 III	2000 IV	2001 I	2001 II	2001 III	2001 IV
20. Electrical and Electronic Products	10,088 6.7	11,305 12.1	12,248 8.3	12,477 1.9	10,521 -15.7	9,615 -8.6	8,056 -16.2	6,924 -14.0
21. Transportation Equipment	21,535 2.5	20,900 -3.0	20,439 -2.2	19,219 -6.0	18,441 -4.0	19,451 5.5	18,980 -2.4	19,066 0.5
22. Auto Industry (Vehicles & Parts)	18,688 2.5	18,208 -2.6	18,188 -0.1	17,172 -5.6	16,090 -6.3	16,828 4.6	16,403 -2.5	16,144 -1.6
23. Other Transportation Equipment	2,829 -1.1	2,731 -3.5	2,264 -17.1	2,013 -11.1	2,376 18.0	2,597 9.3	2,636 1.5	2,864 8.6
24. Non-metallic Mineral Products & Other Manufacturing	3,463 6.0	3,653 5.5	4,054 11.0	4,250 4.8	4,148 -2.4	3,831 -7.6	3,389 -11.5	3,322 -2.0
25. Services Producing Industries	262,737 0.6	266,496 1.4	270,905 1.7	273,586 1.0	275,073 0.5	277,344 0.8	277,858 0.2	279,719 0.7
26. Wholesale Trade	25,193 -0.6	26,010 3.2	26,456 1.7	26,607 0.6	26,278 -1.2	26,680 1.5	26,549 -0.5	26,125 -1.6
27. Retail Trade	19,215 2.1	19,688 2.5	20,287 3.0	20,349 0.3	20,342 -0.0	20,241 -0.5	19,957 -1.4	20,536 2.9
28. Transportation and Warehousing	16,032 -2.2	16,184 1.0	16,473 1.8	16,062 -2.5	16,101 0.2	15,970 -0.8	15,959 -0.1	16,043 0.5
29. Information & Culture (including Telecommunications)	15,495 1.3	15,789 1.9	16,186 2.5	16,645 2.8	16,736 0.5	17,073 2.0	17,301 1.3	17,738 2.5
30. Finance, Insurance, Real Estate, Rental & Leasing	81,371 2.3	82,404 1.3	83,925 1.8	85,361 1.7	86,026 0.8	86,731 0.8	87,259 0.6	88,162 1.0
31. Professional and Administrative Services	28,100 0.6	28,537 1.6	29,144 2.1	29,580 1.5	29,957 1.3	30,336 1.3	30,281 -0.2	30,178 -0.3
32. Education	16,769 -1.7	17,086 1.9	17,308 1.3	17,428 0.7	17,401 -0.2	17,330 -0.4	17,360 0.2	17,270 -0.5
33. Health Care and Social Services	20,976 -0.6	20,996 0.1	21,070 0.4	21,082 0.1	21,194 0.5	21,497 1.4	21,880 1.8	22,219 1.5
34. Arts, Entertainment & Recreation	3,511 -0.2	3,453 -1.7	3,572 3.5	3,661 2.5	3,676 0.4	3,618 -1.6	3,594 -0.7	3,608 0.4
35. Accommodation and Food	8,644 -2.5	8,747 1.2	8,843 1.1	8,766 -0.9	9,037 3.1	9,063 0.3	8,731 -3.7	8,830 1.1
36. Other Services	8,769 0.1	8,801 0.4	8,881 0.9	9,047 1.9	9,177 1.4	9,288 1.2	9,260 -0.3	9,168 -1.0
37. Public Administration	18,902 0.1	19,103 1.1	19,124 0.1	19,292 0.9	19,508 1.1	19,829 1.6	19,973 0.7	20,116 0.7
38. Total Production	387,608 1.4 5.7	393,855 1.6 6.6	399,902 1.5 6.3	403,169 0.8 3.3	401,190 -0.5 -1.9	403,415 0.6 2.2	400,122 -0.8 -3.2	400,931 0.2 0.8

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
1. Goods Producing Industries	126,003 3.9	127,715 1.4	129,218 1.2	129,272 0.0	130,057 0.6	127,639 -1.9	125,922 -1.3	129,164 2.6
2. Primary	7,462 -0.7	7,715 3.4	7,874 2.1	8,085 2.7	7,933 -1.9	7,897 -0.5	7,958 0.8	8,209 3.2
3. Agriculture, Forestry, Fishing & Hunting	4,266 0.2	4,545 6.5	4,763 4.8	4,954 4.0	4,853 -2.0	5,034 3.7	5,128 1.9	5,263 2.6
4. Mining	3,197 -2.3	3,157 -1.3	3,102 -1.7	3,135 1.1	3,086 -1.6	2,856 -7.4	2,871 0.5	3,031 5.6
5. Utilities	10,070 0.2	10,413 3.4	10,169 -2.3	10,289 1.2	10,501 2.1	9,654 -8.1	9,471 -1.9	9,245 -2.4
6. Electric Power	7,971 -0.4	8,155 2.3	8,052 -1.3	8,033 -0.2	8,097 0.8	7,527 -7.0	7,443 -1.1	7,295 -2.0
7. Natural Gas, Water and Other	2,092 2.5	2,252 7.6	2,111 -6.2	2,250 6.6	2,404 6.8	2,127 -11.5	2,029 -4.6	1,950 -3.9
8. Construction	21,291 0.9	20,576 -3.4	20,385 -0.9	20,180 -1.0	20,455 1.4	20,634 0.9	20,783 0.7	21,583 3.8
9. Residential Buildings	8,733 5.1	8,456 -3.2	8,679 2.6	8,363 -3.6	8,416 0.6	8,610 2.3	8,722 1.3	9,261 6.2
10. Non-Residential Buildings and Engineering	12,555 -1.8	12,115 -3.5	11,706 -3.4	11,822 1.0	12,041 1.8	12,031 -0.1	12,070 0.3	12,326 2.1
11. Manufacturing	86,799 5.7	88,734 2.2	90,600 2.1	90,502 -0.1	90,932 0.5	89,171 -1.9	87,250 -2.2	89,653 2.8
12. Food, Beverage, & Tobacco Products	10,146 0.7	10,016 -1.3	9,946 -0.7	9,802 -1.4	9,852 0.5	9,688 -1.7	9,608 -0.8	9,681 0.8
13. Textile, Clothing, & Leather Products	2,095 12.9	2,118 1.1	2,151 1.6	2,209 2.7	2,100 -4.9	1,975 -6.0	1,884 -4.6	1,968 4.5
14. Wood Products and Furniture	4,699 5.9	4,704 0.1	4,921 4.6	4,945 0.5	5,054 2.2	4,971 -1.6	4,753 -4.4	4,781 0.6
15. Paper Products and Printing	5,985 3.0	6,182 3.3	6,205 0.4	6,234 0.5	6,318 1.3	6,202 -1.8	6,146 -0.9	6,264 1.9
16. Chemical and Petroleum Products	7,954 6.6	8,287 4.2	8,569 3.4	8,832 3.1	8,779 -0.6	8,696 -0.9	8,585 -1.3	8,901 3.7
17. Plastic and Rubber Products	6,529 10.6	6,759 3.5	6,847 1.3	6,976 1.9	7,142 2.4	6,849 -4.1	6,784 -1.0	7,116 4.9
18. Primary Metal & Fabricated Metal Products	12,785 5.4	13,217 3.4	13,218 0.0	13,255 0.3	13,424 1.3	13,081 -2.6	12,427 -5.0	13,099 5.4
19. Machinery	5,794 4.9	6,071 4.8	6,224 2.5	6,752 8.5	6,350 -5.9	6,081 -4.2	5,759 -5.3	5,781 0.4

*Notes: Ontario Production is measured as Gross Domestic Product at basic prices.**Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2002 I	2002 II	2002 III	2002 IV	2003 I	2003 II	2003 III	2003 IV
20. Electrical and Electronic Products	7,857 13.5	8,265 5.2	8,176 -1.1	8,303 1.6	8,642 4.1	8,566 -0.9	8,365 -2.3	8,743 4.5
21. Transportation Equipment	19,869 4.2	19,994 0.6	20,966 4.9	19,784 -5.6	19,799 0.1	19,560 -1.2	19,511 -0.3	19,918 2.1
22. Auto Industry (Vehicles & Parts)	16,794 4.0	17,384 3.5	18,298 5.3	17,776 -2.9	17,830 0.3	17,443 -2.2	17,540 0.6	17,993 2.6
23. Other Transportation Equipment	3,054 6.6	2,638 -13.6	2,547 -3.4	2,123 -16.7	2,056 -3.1	2,111 2.7	1,849 -12.4	1,976 6.9
24. Non-metallic Mineral Products & Other Manufacturing	3,515 5.8	3,591 2.2	3,831 6.7	3,944 3.0	4,036 2.3	4,110 1.8	4,060 -1.2	4,094 0.8
25. Services Producing Industries	283,538 1.4	287,443 1.4	290,548 1.1	292,641 0.7	293,708 0.4	293,699 -0.0	293,291 -0.1	295,903 0.9
26. Wholesale Trade	27,074 3.6	28,264 4.4	28,689 1.5	29,781 3.8	30,299 1.7	30,148 -0.5	29,541 -2.0	30,731 4.0
27. Retail Trade	21,123 2.9	20,980 -0.7	21,087 0.5	21,497 1.9	21,704 1.0	21,607 -0.4	21,678 0.3	21,348 -1.5
28. Transportation and Warehousing	16,223 1.1	16,409 1.1	16,431 0.1	16,352 -0.5	16,242 -0.7	15,948 -1.8	15,829 -0.7	16,064 1.5
29. Information & Culture (including Telecommunications)	18,046 1.7	18,189 0.8	18,342 0.8	18,434 0.5	18,589 0.8	18,646 0.3	18,448 -1.1	18,375 -0.4
30. Finance, Insurance, Real Estate, Rental & Leasing	89,335 1.3	91,204 2.1	91,575 0.4	91,712 0.1	91,475 -0.3	92,531 1.2	93,013 0.5	93,322 0.3
31. Professional and Administrative Services	30,656 1.6	31,051 1.3	31,520 1.5	31,771 0.8	32,080 1.0	32,269 0.6	32,225 -0.1	32,179 -0.1
32. Education	17,312 0.2	17,584 1.6	17,720 0.8	17,770 0.3	17,630 -0.8	17,588 -0.2	17,544 -0.2	17,799 1.5
33. Health Care and Social Services	22,330 0.5	22,424 0.4	22,416 -0.0	22,388 -0.1	22,600 0.9	22,556 -0.2	22,795 1.1	22,912 0.5
34. Arts, Entertainment & Recreation	3,623 0.4	3,866 6.7	3,783 -2.1	3,812 0.8	3,861 1.3	3,891 0.8	3,857 -0.9	3,942 2.2
35. Accommodation and Food	8,951 1.4	8,965 0.2	8,978 0.1	8,934 -0.5	8,763 -1.9	8,216 -6.2	8,381 2.0	8,669 3.4
36. Other Services	9,288 1.3	9,400 1.2	9,623 2.4	9,626 0.0	9,605 -0.2	9,495 -1.1	9,423 -0.8	9,588 1.8
37. Public Administration	19,915 -1.0	19,463 -2.3	20,706 6.4	20,827 0.6	21,146 1.5	21,128 -0.1	20,869 -1.2	21,322 2.2
38. Total Production	409,590 2.2 8.9	415,306 1.4 5.7	420,012 1.1 4.6	422,174 0.5 2.1	424,110 0.5 1.8	421,615 -0.6 -2.3	419,295 -0.6 -2.2	425,505 1.5 6.1

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of chained (1997) dollars

	2000	2001	2002	2003
1. Goods Producing Industries	127,402 7.4	123,773 -2.8	128,052 3.5	128,195 0.1
2. Primary	7,844 0.6	7,585 -3.3	7,784 2.6	7,999 2.8
3. Agriculture, Forestry, Fishing & Hunting	4,790 -2.0	4,428 -7.5	4,632 4.6	5,070 9.4
4. Mining	3,099 6.0	3,211 3.6	3,148 -2.0	2,961 -5.9
5. Utilities	9,931 0.4	9,901 -0.3	10,235 3.4	9,718 -5.1
6. Electric Power	7,813 -1.7	7,821 0.1	8,053 3.0	7,590 -5.7
7. Natural Gas, Water and Other	2,112 8.5	2,074 -1.8	2,176 4.9	2,127 -2.2
8. Construction	18,403 2.5	19,991 8.6	20,608 3.1	20,864 1.2
9. Residential Buildings	7,165 6.1	7,871 9.9	8,558 8.7	8,752 2.3
10. Non-Residential Buildings and Engineering	11,238 0.3	12,120 7.8	12,050 -0.6	12,117 0.6
11. Manufacturing	91,145 10.1	85,986 -5.7	89,159 3.7	89,251 0.1
12. Food, Beverage, & Tobacco Products	9,342 -0.1	9,914 6.1	9,978 0.6	9,707 -2.7
13. Textile, Clothing, & Leather Products	2,222 18.6	2,043 -8.1	2,143 4.9	1,982 -7.5
14. Wood Products and Furniture	4,850 21.0	4,702 -3.0	4,818 2.5	4,890 1.5
15. Paper Products and Printing	6,342 15.2	6,147 -3.1	6,151 0.1	6,232 1.3
16. Chemical and Petroleum Products	7,759 6.7	7,717 -0.5	8,410 9.0	8,740 3.9
17. Plastic and Rubber Products	5,919 16.6	6,113 3.3	6,778 10.9	6,973 2.9
18. Primary Metal & Fabricated Metal Products	12,739 14.4	12,371 -2.9	13,119 6.0	13,008 -0.8
19. Machinery	6,564 18.1	5,991 -8.7	6,210 3.7	5,993 -3.5

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 14***Millions of chained (1997) dollars*

	2000	2001	2002	2003
20. Electrical and Electronic Products	11,529 31.1	8,779 -23.9	8,150 -7.2	8,579 5.3
21. Transportation Equipment	20,523 -1.5	18,985 -7.5	20,153 6.2	19,697 -2.3
22. Auto Industry (Vehicles & Parts)	18,064 0.7	16,366 -9.4	17,563 7.3	17,701 0.8
23. Other Transportation Equipment	2,460 -14.8	2,618 6.5	2,590 -1.1	1,998 -22.9
24. Non-metallic Mineral Products & Other Manufacturing	3,855 13.1	3,673 -4.7	3,720 1.3	4,075 9.5
25. Services Producing Industries	268,431 5.3	277,499 3.4	288,543 4.0	294,150 1.9
26. Wholesale Trade	26,067 7.1	26,408 1.3	28,452 7.7	30,180 6.1
27. Retail Trade	19,885 6.8	20,269 1.9	21,172 4.5	21,584 2.0
28. Transportation and Warehousing	16,188 3.9	16,018 -1.0	16,354 2.1	16,021 -2.0
29. Information & Culture (including Telecommunications)	16,029 10.2	17,212 7.4	18,253 6.0	18,515 1.4
30. Finance, Insurance, Real Estate, Rental & Leasing	83,265 6.2	87,044 4.5	90,956 4.5	92,585 1.8
31. Professional and Administrative Services	28,841 7.8	30,188 4.7	31,250 3.5	32,188 3.0
32. Education	17,148 0.3	17,340 1.1	17,596 1.5	17,640 0.3
33. Health Care and Social Services	21,031 1.6	21,698 3.2	22,390 3.2	22,716 1.5
34. Arts, Entertainment & Recreation	3,549 5.4	3,624 2.1	3,771 4.1	3,888 3.1
35. Accommodation and Food	8,750 1.8	8,916 1.9	8,957 0.5	8,507 -5.0
36. Other Services	8,875 4.4	9,223 3.9	9,484 2.8	9,528 0.5
37. Public Administration	19,105 2.4	19,857 3.9	20,228 1.9	21,116 4.4
38. Total Production	396,133 6.0	401,414 1.3	416,771 3.8	422,631 1.4

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

**For further information on the *Ontario Economic Accounts*,
please contact us at:**

Ministry of Finance
Macroeconomic Analysis & Policy Branch
Current Analysis Unit
6th Floor, Frost Building North
95 Grosvenor Street
Toronto, ON M7A 1Z1
416 325-0755

e-mail: macroeconomics@fin.gov.on.ca
website: <http://www.gov.on.ca/FIN/english/enghome.htm>

CA20N
TR17
-B75 c.2

Ontario
Ministry
of Finance

First Quarter
of 2004

(January, February,
March)

Government of Ontario
Publications and Communications
ne 2004

Ontario Economic Accounts



June 2004

First Quarter of 2004

(January, February, March)

Ontario Economic Accounts



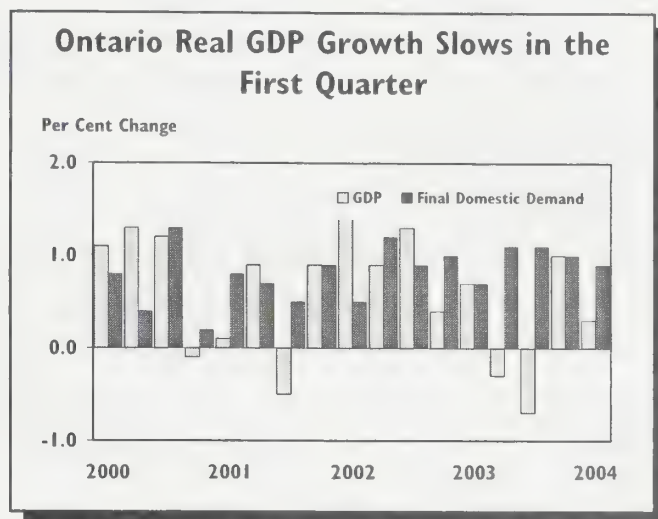
Ontario Ministry of Finance

Table of Contents

First-Quarter Highlights	1
Demand and Incomes	3
Ontario Production By Industry	7
Ontario Economic Accounts: Summary Charts (1999:1-2004:1)	12
List of Tables	15

FIRST-QUARTER HIGHLIGHTS: JANUARY-MARCH 2004

- ❑ Ontario's **real Gross Domestic Product (GDP)** grew by 0.4% (1.5% annualized) in the first quarter of 2004, down from a 1.0% pace (4.0% annualized) in the fourth quarter of 2003. Ontario's economy grew more slowly than either the Canadian economy, which advanced 0.6% (2.4% annualized), or the U.S. economy, which grew 1.0% (3.9% annualized) in the first quarter.
- ❑ Businesses reduced **real non-farm inventories** by \$907 million in the first quarter, reversing part of the \$4.0 billion build-up of the fourth quarter of 2003. The first quarter run-down was largely concentrated in manufacturing and retail stocks. The \$4.9 billion swing in inventories was the main drag on Ontario economic growth in the first quarter.
- ❑ Economic growth in the first quarter was supported by renewed growth in consumer spending, a pick-up in business machinery and equipment investment and continued growth in exports. **Final domestic demand** grew by 0.9% in real terms, close to the 1.0% pace of the previous quarter.
- ❑ **Real consumer spending** rebounded by 1.1% in the first quarter, following a 0.1% decline in the final quarter of 2003. The resurgence of consumer spending was boosted by robust clothing sales and incentive-driven gains in car sales following weak fourth quarter sales.
- ❑ **Real business investment** growth remained healthy in the first quarter advancing 1.6%, following a similar 1.8% gain in the fourth quarter. In particular, machinery and equipment investment advanced for the fifth consecutive quarter, growing by 1.9% while non-residential construction was little changed from the fourth quarter of 2003.
- ❑ **Real residential construction** investment slipped 2.2% in the first quarter, following a strong 5.4% gain in the fourth quarter.
- ❑ **Ontario's real exports** continued to recover from last year's weak performance, advancing by 0.9% in the first quarter. Prior to the 2.8% jump in the fourth quarter of 2003, exports had



declined for four consecutive quarters, due in large part to the unprecedented appreciation of the Canadian dollar against its U.S. counterpart. The first quarter growth in exports was led by strong gains in shipments of automotive and industrial goods.

- ❑ **Real imports** dropped 0.4% in the first quarter, following a 4.9% surge in the fourth quarter of 2003. Weaker auto imports offset increased demand for other products from abroad, notably machinery and equipment and energy. With export growth leading that of imports, Ontario's real trade surplus widened considerably in the first quarter, raising real GDP by more than \$3.8 billion.
- ❑ In current dollars, **nominal GDP** grew by 1.3% in the first quarter, slightly stronger than the 1.0% increase in the fourth quarter. Economy-wide prices as measured by the **GDP implicit price index** rose by 0.9%, the fastest rate in more than a year.

ONTARIO ECONOMIC ACCOUNTS: HIGHLIGHTS

(% change from previous period)

	2002	2003	2003:2	2003:3	2003:4	2004:1
Real GDP (Chained \$ 1997)	3.7	1.6	-0.3	-0.7	1.0	0.4
(annualized rate)			-1.0	-3.0	4.0	1.5
Personal spending	3.6	3.0	0.6	0.7	-0.1	1.1
Government spending	3.7	5.6	2.0	-0.1	2.4	1.1
Residential construction	9.3	4.9	1.9	3.7	5.4	-2.2
Non-residential construction	-1.8	-4.0	-3.2	-2.6	-2.9	0.1
Machinery & equipment	-4.2	7.6	2.9	6.3	2.9	1.9
Exports	3.4	-1.3	-0.3	-2.5	2.8	0.9
Imports	3.8	2.8	1.7	-2.6	4.9	-0.4
Business inventories (Chained \$1997 billions)	1.8	3.9	5.6	-0.8	4.0	-0.9
Nominal GDP (\$ Current)	5.7	3.2	-0.9	-0.2	1.0	1.3
Corporation profits	21.5	1.5	-10.5	-1.1	0.5	5.3
Personal income	2.8	2.5	0.1	0.4	0.5	0.9
Disposable income	3.9	2.7	0.4	-0.3	0.4	0.9
Implicit price index, GDP	1.9	1.6	-0.6	0.6	0.0	0.9

Note:

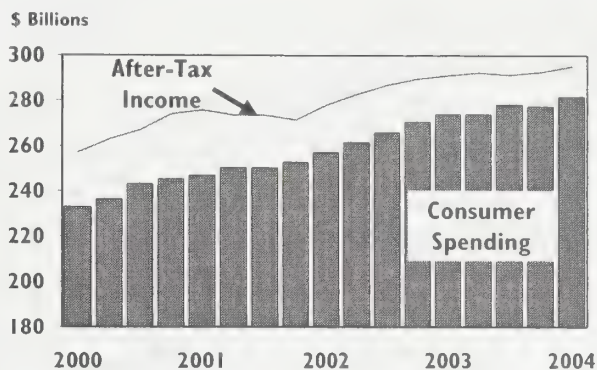
Estimates for the 2000-2003 period reflect Statistics Canada's release of the preliminary Provincial Economic Accounts (PEA) as well as subsequent revisions to the National Income and Expenditure Accounts (NIEA). The revisions to the NIEA report stronger Canadian economic growth in 2003 than was assumed in the Provincial Economic Accounts. Accordingly, Ontario economic growth for 2003 has been revised up to 1.6% from the initial PEA estimate of 1.3%. Complete historical tables of the new revised estimates are available on request by e-mailing Macroeconomics@fin.gov.on.ca.

DEMAND AND INCOMES

RENEWED STRENGTH IN CONSUMER SPENDING

Real consumer spending rebounded by a strong 1.1% in the first quarter of 2004, after declining 0.1% in the fourth quarter of last year. The renewed growth in consumer spending was the strongest since the final quarter of 2002. Boosted by brisk clothing and footwear sales, consumer spending on goods jumped 1.2% after declining 1.7% in the fourth quarter of 2003. Goods consumption also benefited from a modest rebound in sales of new and used motor vehicles. Spending on services increased by 1.1% in the first quarter, as consumers increased outlays on a variety of recreation, entertainment, education and cultural services.

Spending Rebounds as Incomes Grow

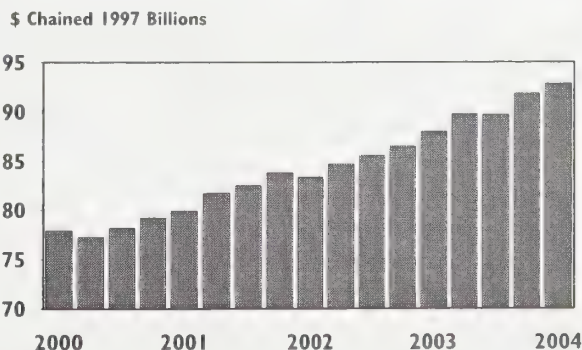


Personal disposable income increased by 0.9% in the first quarter, its strongest advance in over a year. Labour income, the largest component of household income, increased at a steady 0.8% pace following growth of 1.0% in the fourth quarter of 2003. Contributing to the healthy labour income growth was a 0.5% jump in Ontario employment, for a gain of 32,000 jobs in the first quarter of 2004. In current dollars, personal consumption grew by 1.5%, following a 0.3% decline in the final quarter of last year. With consumer spending outpacing income growth, Ontario's **savings rate** fell to 2.4% from 3.0% in the fourth quarter.

GOVERNMENT ACTIVITY CONTINUES TO RECOVER

Real government expenditures on current goods and services increased for the second consecutive quarter, advancing by 0.8% in the first quarter, following the 2.5% rebound in spending in the fourth quarter of 2003. The increases over the past two quarters followed the temporary scaling back of government operations in the third quarter as a result of last August's power blackout.

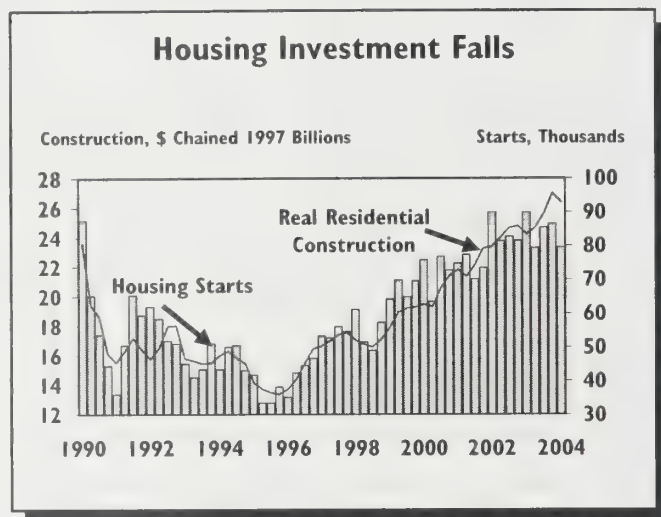
Government Activity Up in First Quarter



Government **real capital spending** grew by a solid 3.0% in the first quarter, following a 2.1% increase in the final quarter of 2003. Government capital spending has been growing at very robust rates for the past five years. Since 1999, government capital spending has grown at an average rate of about 9% per year, more than double the rate of economic growth.

RESIDENTIAL CONSTRUCTION DECLINES

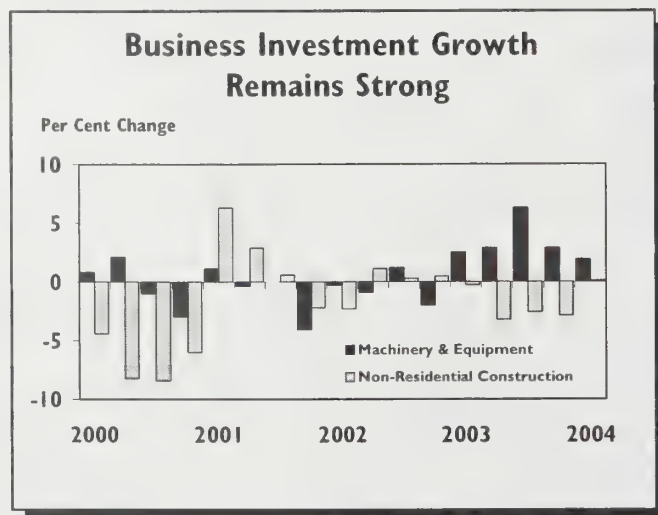
Real residential construction investment fell by 2.2% in the first quarter. The first quarter decline follows a brisk 5.4% gain in the fourth quarter, the best performance in more than three years. Despite the small decline, first quarter residential investment in Ontario remains near all-time record highs and is more than 4.0% higher than the average level of spending in 2003.



BUSINESS INVESTMENT REMAINS STRONG IN FIRST QUARTER

Real business spending on plant and equipment grew 1.6% in the first quarter, following a similar 1.8% gain in the fourth quarter. Investment in **machinery and equipment** was particularly robust, advancing 1.9%, the fifth consecutive quarter of strong growth. Since its recent low in the fourth quarter of 2002 when spending fell by 2.0%, machinery and equipment investment has increased by almost 18%. In the first quarter, strong spending by businesses on industrial machinery and telecommunications equipment provided much of the increase.

In contrast, **real non-residential construction** was largely unchanged in the first quarter, rising by just 0.1%, following four consecutive quarterly declines. Over the past four quarters, non-residential construction declined by over 8%,



while business spending on machinery and equipment increased by almost 15%.

Ontario **pre-tax corporate profits** rose 5.3% in the first quarter, following a 0.5% increase in the fourth quarter. The increase was led by strong profit growth for manufacturers and chartered banks.

Wholesalers and retailers also reported continued growth in profits.

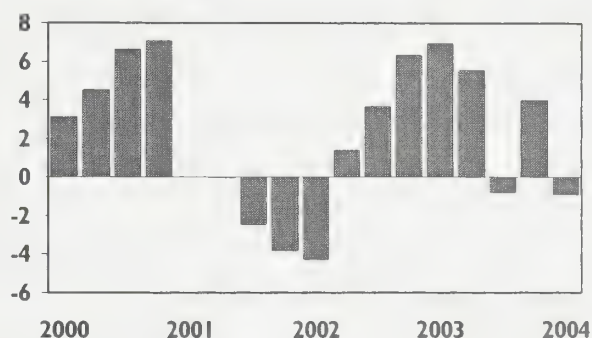
INVENTORY LEVELS CUT IN FIRST QUARTER

Non-farm inventories fell by \$907 million in the first quarter, partially reversing a \$4.0 billion build-up in the fourth quarter of 2003. Much of the first quarter run-down in inventories occurred in manufacturing and retail stocks, with a particular concentration in motor vehicle inventories. Retailers of motor vehicles reduced their inventories by offering generous financing incentives to new purchasers. Wholesalers, by contrast, experienced a build-up in motor vehicles inventories.

The \$4.9 billion swing in non-farm inventories from the fourth to first quarters was a major source of weakness for economic growth in Ontario in the first quarter.

Businesses Cut Inventories

\$ Chained 1997 Billions

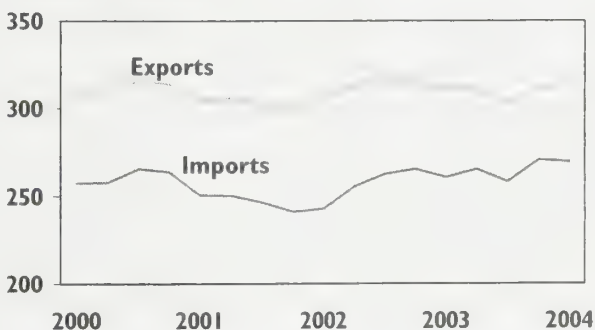


NET TRADE IMPROVES IN FIRST QUARTER

Ontario's **real exports** continued to recover from last year's weak performance, advancing by 0.9% in the first quarter. Prior to the 2.8% jump in the fourth quarter of 2003, exports had declined for four consecutive quarters, due in large part to the unprecedented appreciation of the Canadian dollar against its U.S. counterpart. The first quarter growth in exports was led by strong gains in shipments of automotive and industrial goods.

Exports Grow as Imports Decline

\$ Chained 1997 Billions



Real imports were down by 0.4% in the first quarter, following a 4.9% surge in the fourth quarter of 2003. Weaker auto imports offset increased demand for other products from abroad, notably machinery and equipment and energy purchases.

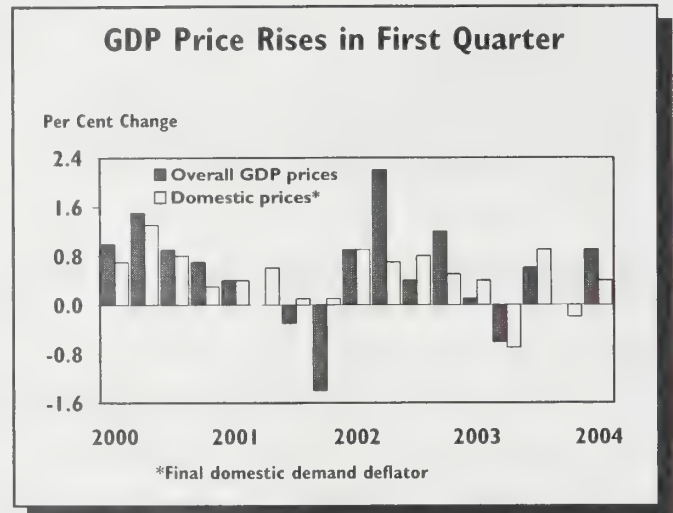
With export growth leading that of imports, Ontario's **real trade surplus** widened considerably in the first quarter, adding more than \$3.8 billion to real GDP, and providing the major source of growth for Ontario's economy in the first quarter.

GDP INFLATION RISES IN FIRST QUARTER

Economy-wide prices, as measured by the GDP implicit price index, increased by 0.9% in the first quarter, the fastest rate of growth in more than a year.

The implicit price of non-residential construction, which was up 1.0%, and export prices, which rose 1.3%, contributed to the overall rise in prices.

A 0.2% drop in the implicit price of machinery and equipment investment along with a modest 0.4% gain in consumer expenditure prices helped moderate inflation in the first quarter.



In contrast to most of 2003 when the Canadian dollar appreciated strongly against the U.S. dollar, the domestic currency declined slightly in the first quarter of 2004. As a result, import prices rose 1.7%, the first jump in import prices since the third quarter of 2002. The rise in import prices was also due to higher energy prices, as prices of petroleum, natural gas and motor fuels, imported primarily from other provinces, all rose significantly in the first quarter of 2004.

ONTARIO PRODUCTION BY INDUSTRY

INDUSTRIAL PRODUCTION IN THE JANUARY-MARCH QUARTER OF 2004

Industrial output advanced by 0.2% in the first quarter of 2004 (1.0% annualized), following a 1.5% rate of growth in the fourth quarter of 2003. In the first quarter of this year, output growth of 0.8% in the services sector was partially offset by a 0.8% decline in output by the smaller goods-producing sector.

Solid growth in the financial and real estate (+1.5%), professional and administrative services (+1.2%), retail trade (+2.0%) and public administration (+2.2%) sectors contributed a large portion of the first quarter advance.

The most significant declines in the goods-producing sector occurred in the manufacturing (-0.5%), construction (-2.5%) and primary (-1.1%) industries.

ONTARIO OUTPUT BY SECTOR

(% change from previous period, chained \$1997)

	2002	2003	2003:2	2003:3	2003:4	2004:1
Goods Sector	3.5	0.1	-1.5	-0.6	2.7	-0.8
Primary Industries	2.6	0.1	-1.7	-0.2	2.2	-1.1
Manufacturing	3.7	-0.2	-2.1	-2.3	2.7	-0.5
Of which: Auto Industry	7.3	1.6	-1.8	0.9	2.9	2.6
Construction	3.1	3.3	1.7	1.5	4.5	-2.5
Utilities	3.4	-4.5	-7.8	-1.6	-2.1	0.9
Service Sector	4.0	2.0	0.1	-0.1	0.9	0.8
Transportation and Warehousing	2.1	-0.1	-1.0	0.1	2.2	0.2
Wholesale and Retail Trade	6.4	3.6	-1.0	-1.2	1.4	-1.0
Finance, Insurance and Real Estate	4.5	1.4	1.0	0.4	0.2	1.5
Information and Cultural Industries	6.0	2.9	0.9	-0.5	0.2	0.3
Public Administration	1.9	3.8	-0.3	-1.5	2.0	2.2
Ontario Output at Basic Prices	3.8	1.4	-0.6	-0.5	1.5	0.2
(annualized rate)			-2.3	-2.1	6.1	1.0

Notes: ■ Real output by sector is measured as real gross domestic product at basic prices in chained 1997 dollars. Basic prices reflect costs incurred while creating the product and include taxes and subsidies on labour and capital inputs, but not taxes and subsidies on an industry's products.

■ Estimates for 2003 include revisions to Provincial GDP by industry published by Statistics Canada in April 2004.

MANUFACTURING TAKES A STEP BACK

Manufacturing activity fell 0.5% in the first quarter, following a 2.7% increase in the fourth quarter of 2003. The first quarter decline was widespread as seven of eleven manufacturing industries* reduced output.

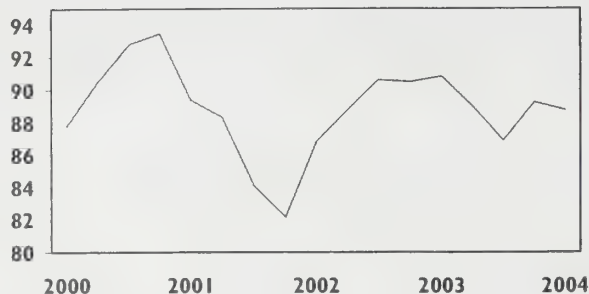
The most significant reductions in manufacturing occurred in the primary metal and fabricated metal products (-3.0%), plastic and rubber products (-3.1%) and electrical and electronic products (-1.6%) industries.

One of the areas of strength in the first quarter was the auto industry, where production increased for the third consecutive quarter, advancing 2.6%. Competitive pricing in Canada, the successful introductions of new product lines and strong demand from the United States contributed to the boost in auto production. In the first quarter, auto assembly output jumped 5.2% while auto parts output rose 0.8%.

Food, beverage and tobacco products (+0.3%), chemical and petroleum products (+0.8%) and machinery (+0.5%) manufacturers also increased production in the first quarter, following gains in the previous quarter.

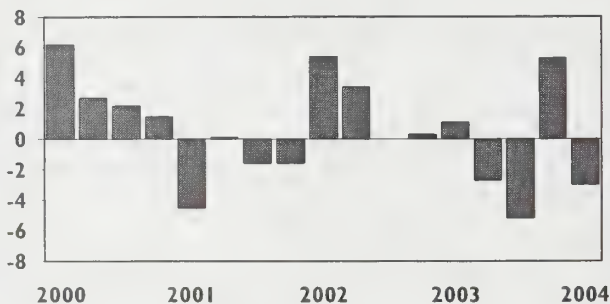
Manufacturing Down in First Quarter

\$ 1997 Billions



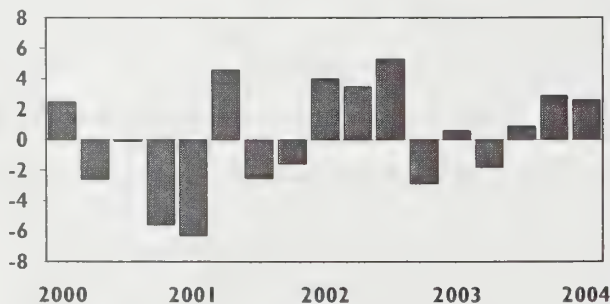
Metal Products Output Falls

Per Cent Change



Auto Industry Maintains Growth

Per Cent Change

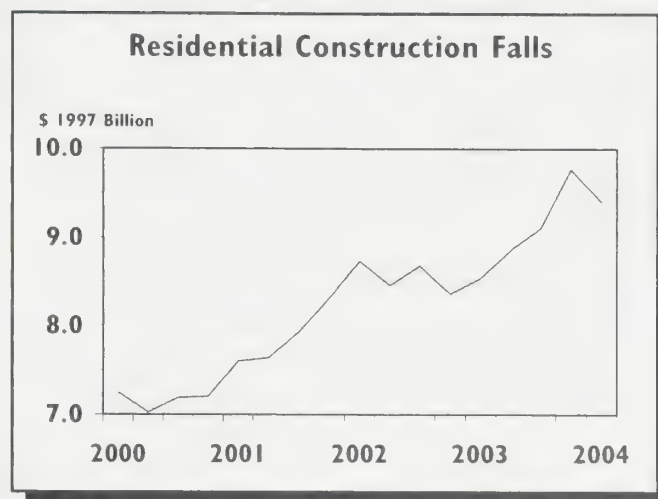


* The Ontario Economic Accounts include eleven manufacturing industries.

CONSTRUCTION OUTPUT DECLINES

Construction output fell 2.5% in the first quarter, the first decline in more than a year, following a strong 4.5% advance in the fourth quarter.

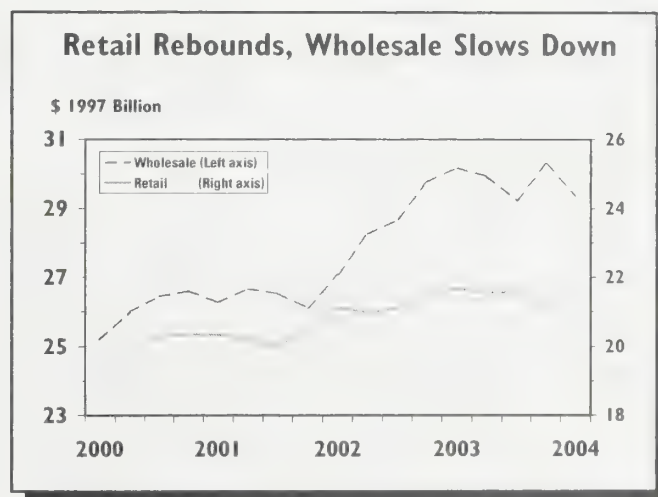
Residential construction fell 3.7%, reflecting a slower pace of housing starts towards the end of 2003. Activity in the non-residential and engineering construction industries also decreased, falling 1.5%, the first decline in six quarters.



RETAIL SECTOR GROWS WHILE WHOLESALE DECLINES

Retail activity rose 2.0% in the first quarter, more than recovering from the 1.7% decrease in the fourth quarter of 2003. The first quarter increase marked retail's largest quarterly gain in two years. Retailers of drugs, household furniture and appliances, and food reported the most significant gains.

Wholesale output fell 3.0% in the first quarter, following an increase of 3.7% in the previous quarter. The decline was mainly the result of a drop in the wholesaling of motor vehicles.

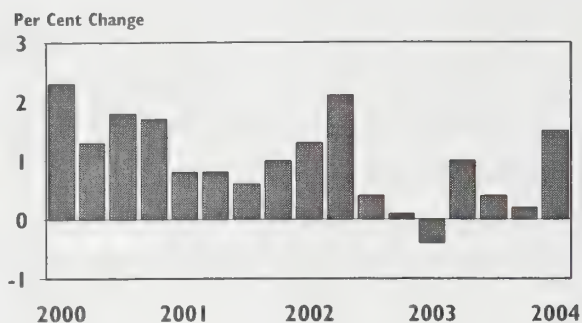


STRONG GROWTH IN FINANCE

Activity in the finance, insurance and real estate sector increased 1.5% in the first quarter, the strongest growth in almost two years.

The first quarter advance reflected in part the continued recovery in stock markets, where higher trading volumes boosted sales for brokers. Real estate agents also saw their output advance as home resales bounced back by 3.0% in the first quarter, after a 5.6% decline in the fourth quarter.

Finance, Insurance and Real Estate Up

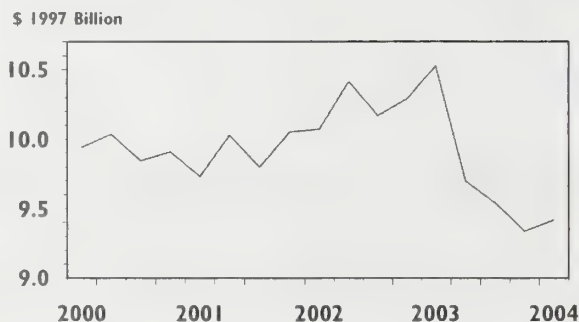


RESOURCES AND UTILITIES

Mining output fell 2.2% in the first quarter, as labour disruptions restrained activity in metal ore mining.

Utilities output rose 0.9% in the first quarter as Ontario experienced colder-than-usual weather in January. Output in the natural gas distribution industry advanced 2.2% while output of the electrical power sector fell 0.5%, the fourth consecutive quarter of decline.

Utilities Output Rises

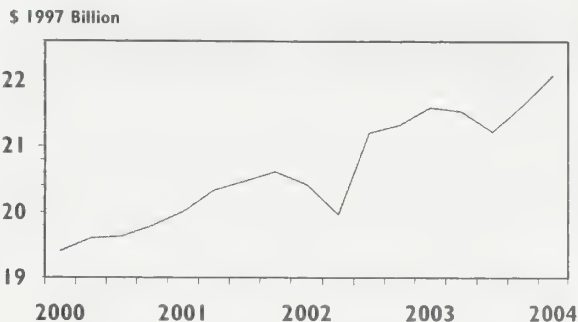


EDUCATION, HEALTH CARE AND PUBLIC ADMINISTRATION

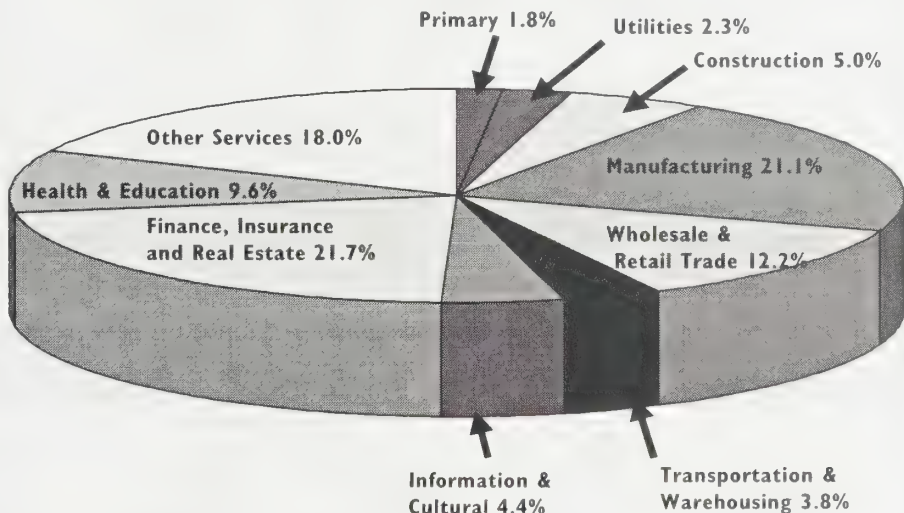
Education services output rose 1.1% in the first quarter, following a 0.8% increase in the fourth quarter of 2003. The health care and social services sector also advanced, growing by 1.0% in the first quarter. This marked the fifth consecutive quarterly increase.

Public administration activity also continued to grow, up 2.2% in the first quarter, following a similar increase of 2.0% in the previous quarter.

Government Output Grows



Structure of the Ontario Economy, 2003 Per Cent Share of GDP



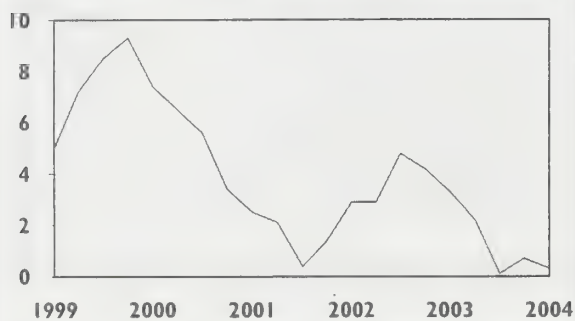
Source: Statistics Canada, Provincial GDP by Industry

ONTARIO ECONOMIC ACCOUNTS: SUMMARY CHARTS

(1999:I - 2004:I)

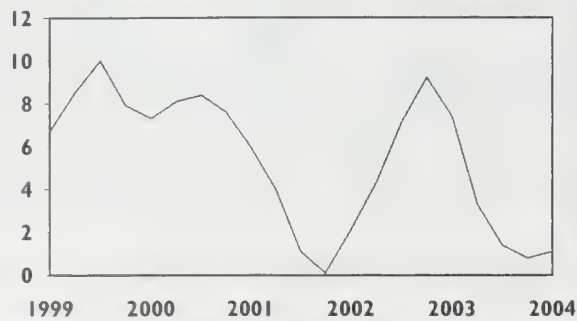
**Gross Domestic Product
(Chained \$ 1997)**

Per Cent Change, Year-Over-Year



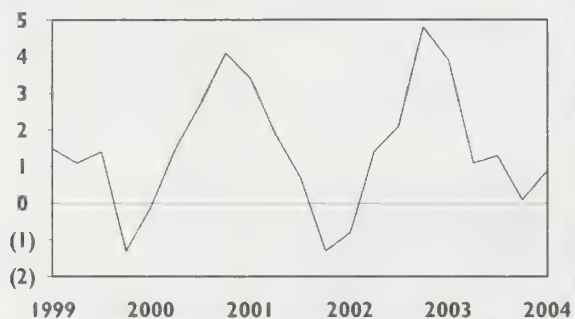
**Gross Domestic Product
(\$ Current)**

Per Cent Change, Year-Over-Year



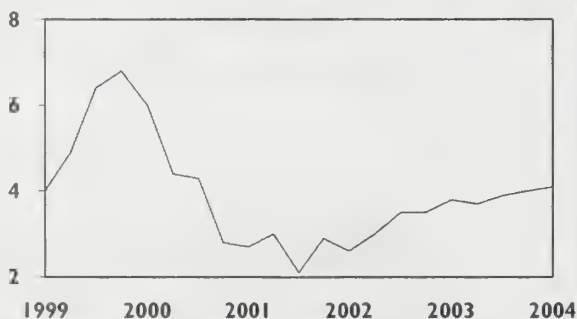
**GDP Deflator
(1997 = 100)**

Per Cent Change, Year-Over-Year



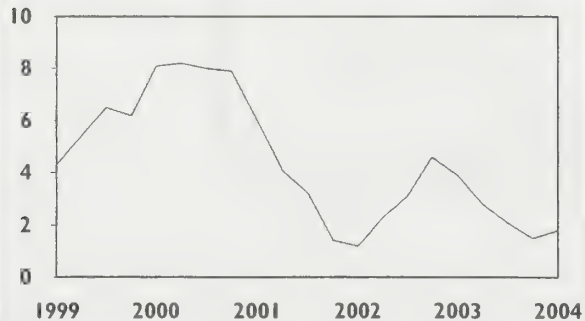
**Final Domestic Demand
(Chained \$ 1997)**

Per Cent Change, Year-Over-Year



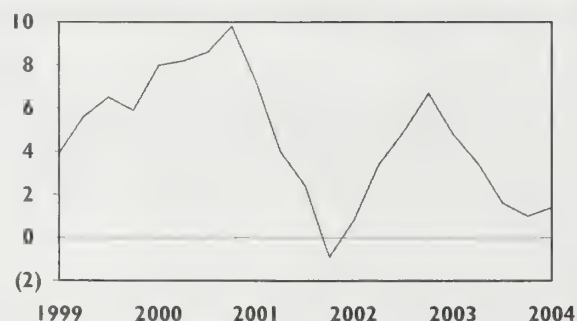
**Personal Income
(\$ Current)**

Per Cent Change, Year-Over-Year



**Personal Disposable Income
(\$ Current)**

Per Cent Change, Year-Over-Year

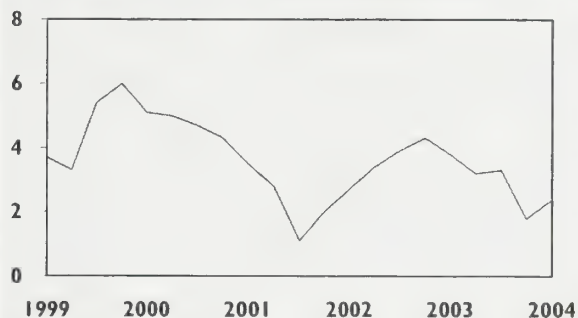


ONTARIO ECONOMIC ACCOUNTS: SUMMARY CHARTS

(1999:I - 2004:I)

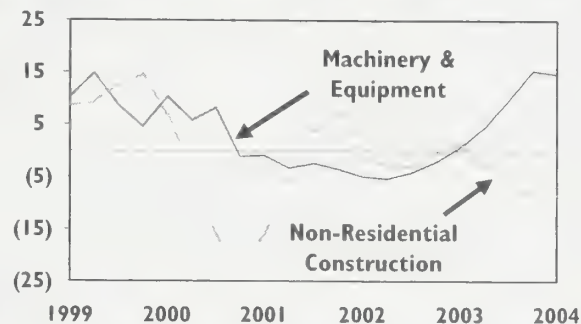
Consumer Spending (Chained \$ 1997)

Per Cent Change, Year-Over-Year



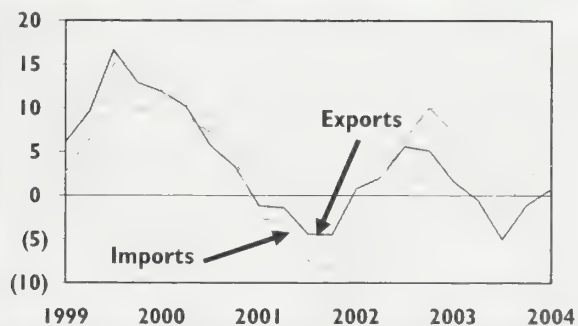
Business Plant & Equipment (Chained \$ 1997)

Per Cent Change, Year-Over-Year



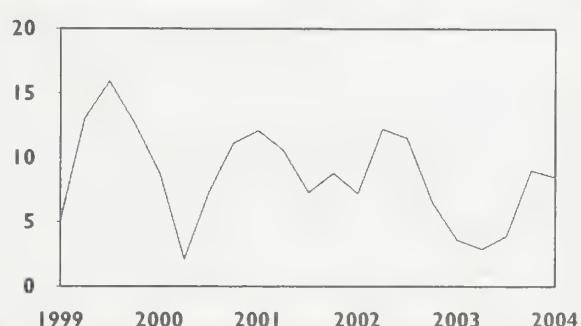
Trade (Chained \$ 1997)

Per Cent Change, Year-Over-Year



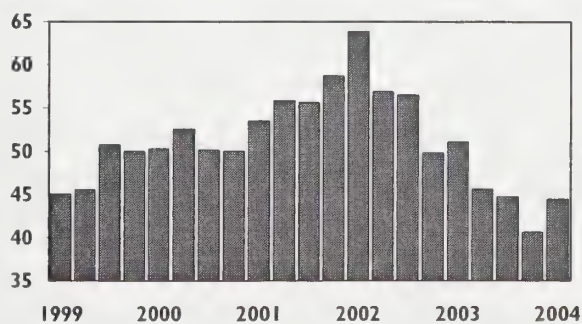
Residential Construction (Chained \$ 1997)

Per Cent Change, Year-Over-Year



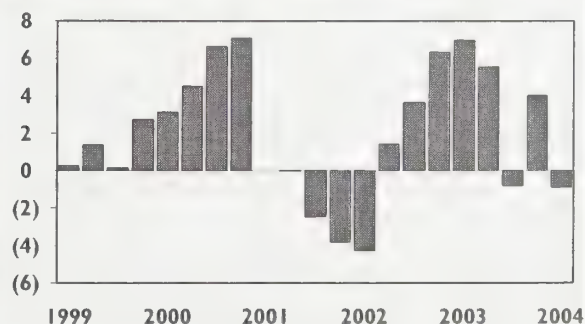
Net Exports (Chained \$ 1997)

\$ Billions



Change in Inventories (Chained \$ 1997)

\$ Billions



LIST OF TABLES

INCOME AND EXPENDITURE DATA

Quarterly Data, 2001:1–2004:1

Table 1: Ontario Gross Domestic Product (Income-Based)	16
Table 2: Ontario Gross Domestic Product (Expenditure-Based)	18
Table 3: Ontario Gross Domestic Product at Chained 1997 Prices	20
Table 4: Sources and Disposition of Ontario Personal Income	22
Table 5: Ontario Trade	24
Table 6: Ontario Deflators	26

Annual Data, 2000–2003

Table 7: Ontario Gross Domestic Product (Income-Based)	28
Table 8: Ontario Gross Domestic Product (Expenditure-Based)	29
Table 9: Ontario Gross Domestic Product at Chained 1997 Prices	30
Table 10: Sources and Disposition of Ontario Personal Income	31
Table 11: Ontario Trade	32
Table 12: Ontario Deflators	33

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

Table 13: Quarterly Data, 2001:1–2004:1	34
Table 14: Annual Data, 2000–2003	38

Historical tables, both annual and quarterly, from 1981 are available on request by e-mailing Macroeconomics@fin.gov.on.ca

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted data at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Wages, salaries and supplementary labour income (domestic basis)	241,205 0.9	242,940 0.7	243,732 0.3	243,876 0.1	246,749 1.2	249,887 1.3	252,902 1.2	255,358 1.0
2. Corporation profits before taxes	54,274 -7.5	53,304 -1.8	45,103 -15.4	39,989 -11.3	49,122 22.8	55,921 13.8	62,773 12.3	66,289 5.6
3. Interest and miscellaneous investment income	18,240 6.5	17,597 -3.5	16,548 -6.0	16,512 -0.2	16,582 0.4	16,678 0.6	17,141 2.8	17,538 2.3
4. Accrued net income of farm operators from farm production	233 100.9	294 26.2	374 27.2	218 -41.7	225 3.2	160 -28.9	263 64.4	478 81.7
5. Net income of non-farm unincorporated business, including rent	28,179 -1.4	28,761 2.1	29,411 2.3	30,164 2.6	30,823 2.2	31,574 2.4	32,029 1.4	32,351 1.0
6. Inventory valuation adjustment	-335	196	626	483	-1,570	-1,072	-1,920	-940
7. Indirect taxes less subsidies	56,506 -2.4	58,733 3.9	60,836 3.6	61,776 1.5	62,487 1.2	62,985 0.8	62,741 -0.4	61,701 -1.7
8. Capital consumption allowances	55,706 5.2	54,707 -1.8	54,748 0.1	55,121 0.7	55,788 1.2	58,558 5.0	58,313 -0.4	60,062 3.0
9. Statistical discrepancy	-1,165	268	1,577	2,798	2,315	1,912	665	-379
10. Gross Domestic Product at market prices	452,843 0.5	456,800 0.9	452,955 -0.8	450,937 -0.4	462,521 2.6	476,603 3.0	484,907 1.7	492,458 1.6
	* 2.0	* 3.5	* -3.3	* -1.8	* 10.7	* 12.7	* 7.2	* 6.4

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted data at annual rates, millions of dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Wages, salaries and supplementary labour income (domestic basis)	257,333 0.8	257,635 0.1	258,479 0.3	260,986 1.0	262,981 0.8	- -	- -	- -
2. Corporation profits before taxes	64,789 -2.3	57,983 -10.5	57,330 -1.1	57,589 0.5	60,649 5.3	- -	- -	- -
3. Interest and miscellaneous investment income	17,204 -1.9	16,724 -2.8	16,861 0.8	16,116 -4.4	17,008 5.5	- -	- -	- -
4. Accrued net income of farm operators from farm production	201 -57.9	126 -37.3	29 -77.0	41 41.4	73 78.0	- -	- -	- -
5. Net income of non-farm unincorporated business, including rent	32,590 0.7	32,939 1.1	33,347 1.2	33,669 1.0	34,222 1.6	- -	- -	- -
6. Inventory valuation adjustment	1,623	5,069	1,422	1,472	-753	-	-	-
7. Indirect taxes less subsidies	61,569 -0.2	61,442 -0.2	62,688 2.0	63,779 1.7	64,763 1.5	- -	- -	- -
8. Capital consumption allowances	60,567 0.8	60,945 0.6	61,236 0.5	61,684 0.7	62,574 1.4	- -	- -	- -
9. Statistical discrepancy	678	-579	113	1,237	1,308	-	-	-
10. Gross Domestic Product at market prices	496,555 0.8	492,284 -0.9	491,505 -0.2	496,573 1.0	502,825 1.3	- -	- -	- -
	3.4	-3.4	-0.6	4.2	5.1	-	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 2***Seasonally adjusted data at annual rates, millions of dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	247,118 0.8	250,215 1.3	250,332 0.0	252,817 1.0	257,053 1.7	261,607 1.8	265,907 1.6	270,707 1.8
2. Goods	110,505 0.5	112,652 1.9	111,747 -0.8	113,644 1.7	116,165 2.2	116,960 0.7	119,149 1.9	121,819 2.2
3. Services	136,613 1.0	137,563 0.7	138,585 0.7	139,174 0.4	140,888 1.2	144,647 2.7	146,758 1.5	148,888 1.5
4. Government expenditure on goods and services:	85,359 1.5	87,115 2.1	88,834 2.0	90,785 2.2	91,083 0.3	92,986 2.1	94,911 2.1	96,668 1.9
5. Current expenditure	75,012 1.0	76,599 2.1	78,216 2.1	79,571 1.7	79,632 0.1	81,417 2.2	83,136 2.1	84,824 2.0
6. Capital expenditure	10,347 5.1	10,515 1.6	10,618 1.0	11,214 5.6	11,452 2.1	11,569 1.0	11,775 1.8	11,844 0.6
7. Business gross fixed capital formation:	70,095 2.2	70,585 0.7	70,995 0.6	70,500 -0.7	71,579 1.5	72,836 1.8	73,796 1.3	73,833 0.1
8. Residential structures	24,020 2.5	23,897 -0.5	24,717 3.4	26,239 6.2	26,928 2.6	28,009 4.0	28,804 2.8	29,478 2.3
9. Non-residential structures	10,847 4.7	11,219 3.4	11,198 -0.2	10,967 -2.1	10,888 -0.7	11,111 2.1	11,278 1.5	11,438 1.4
10. Machinery and equipment	35,228 1.3	35,468 0.7	35,081 -1.1	33,294 -5.1	33,763 1.4	33,716 -0.1	33,714 -0.0	32,918 -2.4
11. Exports of goods and services	319,668 -2.9	321,491 0.6	312,802 -2.7	307,140 -1.8	318,268 3.6	324,962 2.1	334,698 3.0	331,649 -0.9
12. DEDUCT: Imports of goods and services	271,886 -3.8	271,287 -0.2	265,054 -2.3	258,150 -2.6	264,353 2.4	276,427 4.6	286,375 3.6	288,715 0.8
13. Value of physical change in inventories:	1,323	-1,050	-3,377	-9,357	-8,795	2,552	2,633	7,938
14. Non-farm	1,205	-955	-3,208	-9,259	-8,907	2,184	2,959	7,125
15. Farm	94	-103	-162	-89	176	316	-235	766
16. Government	24	8	-7	-9	-64	52	-91	46
17. Statistical discrepancy	1,165	-268	-1,577	-2,798	-2,315	-1,912	-665	379
18. Gross Domestic Product at market prices	452,843 0.5 2.0	456,800 0.9 3.5	452,955 -0.8 -3.3	450,937 -0.4 -1.8	462,521 2.6 10.7	476,603 3.0 12.7	484,907 1.7 7.2	492,458 1.6 6.4
19. Final domestic demand	402,573 1.2	407,915 1.3	410,161 0.6	414,102 1.0	419,716 1.4	427,429 1.8	434,614 1.7	441,208 1.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted data at annual rates, millions of dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Personal expenditure on consumer goods and services:	273,996 1.2	274,143 0.1	278,238 1.5	277,534 -0.3	281,731 1.5	-	-	-
2. Goods	123,527 1.4	121,877 -1.3	123,731 1.5	121,195 -2.1	123,064 1.5	-	-	-
3. Services	150,469 1.1	152,266 1.2	154,507 1.5	156,340 1.2	158,668 1.5	-	-	-
4. Government expenditure on goods and services:	98,386 1.8	99,969 1.6	101,770 1.8	104,455 2.6	106,241 1.7	-	-	-
5. Current expenditure	85,396 0.7	86,993 1.9	88,750 2.0	91,367 2.9	92,648 1.4	-	-	-
6. Capital expenditure	12,989 9.7	12,976 -0.1	13,020 0.3	13,088 0.5	13,592 3.9	-	-	-
7. Business gross fixed capital formation:	73,913 0.1	74,032 0.2	76,977 4.0	78,669 2.2	78,743 0.1	-	-	-
8. Residential structures	29,121 -1.2	29,978 2.9	31,604 5.4	33,503 6.0	32,878 -1.9	-	-	-
9. Non-residential structures	11,494 0.5	11,096 -3.5	10,868 -2.1	10,599 -2.5	10,713 1.1	-	-	-
10. Machinery and equipment	33,298 1.2	32,958 -1.0	34,505 4.7	34,566 0.2	35,152 1.7	-	-	-
11. Exports of goods and services	325,428 -1.9	309,556 -4.9	301,030 -2.8	305,062 1.3	311,801 2.2	-	-	-
12. DEDUCT: Imports of goods and services	282,410 -2.2	271,630 -3.8	263,869 -2.9	270,596 2.5	274,195 1.3	-	-	-
13. Value of physical change in inventories:	7,920	5,636	-2,528	2,687	-187	-	-	-
14. Non-farm	8,165	5,736	-3,023	1,897	-991	-	-	-
15. Farm	-263	-88	491	780	731	-	-	-
16. Government	18	-13	4	10	73	-	-	-
17. Statistical discrepancy	-678	579	-113	-1,237	-1,308	-	-	-
18. Gross Domestic Product at market prices	496,555 0.8 3.4	492,284 -0.9 -3.4	491,505 -0.2 -0.6	496,573 1.0 4.2	502,825 1.3 5.1	-	-	-
19. Final domestic demand	446,295 1.2	448,144 0.4	456,985 2.0	460,658 0.8	466,715 1.3	-	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 3***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	230,605 0.3	231,778 0.5	231,959 0.1	234,359 1.0	236,873 1.1	239,606 1.2	241,105 0.6	244,423 1.4
2. Goods	103,241 -0.2	104,005 0.7	103,706 -0.3	106,288 2.5	108,336 1.9	108,075 -0.2	108,483 0.4	110,851 2.2
3. Services	127,460 0.8	127,868 0.3	128,349 0.4	128,180 -0.1	128,665 0.4	131,633 2.3	132,722 0.8	133,681 0.7
4. Government expenditure on goods and services:	79,978 0.9	81,773 2.2	82,518 0.9	83,849 1.6	83,393 -0.5	84,702 1.6	85,542 1.0	86,488 1.1
5. Current expenditure	69,858 0.3	71,490 2.3	72,076 0.8	72,845 1.1	72,264 -0.8	73,428 1.6	74,172 1.0	75,017 1.1
6. Capital expenditure	10,101 5.8	10,262 1.6	10,424 1.6	11,011 5.6	11,151 1.3	11,293 1.3	11,389 0.8	11,488 0.9
7. Business gross fixed capital formation:	67,162 2.2	66,874 -0.4	67,688 1.2	67,335 -0.5	67,116 -0.3	67,587 0.7	68,697 1.6	68,265 -0.6
8. Residential structures	21,803 2.0	21,371 -2.0	22,089 3.4	23,257 5.3	23,372 0.5	23,983 2.6	24,630 2.7	24,764 0.5
9. Non-residential structures	9,647 6.3	9,930 2.9	9,986 0.6	9,771 -2.2	9,548 -2.3	9,649 1.1	9,681 0.3	9,727 0.5
10. Machinery and equipment	35,718 1.1	35,575 -0.4	35,565 -0.0	34,097 -4.1	33,985 -0.3	33,663 -0.9	34,068 1.2	33,382 -2.0
11. Exports of goods and services	304,237 -3.1	306,051 0.6	301,893 -1.4	299,610 -0.8	306,720 2.4	312,184 1.8	318,823 2.1	314,867 -1.2
12. DEDUCT: Imports of goods and services	250,698 -5.0	250,164 -0.2	246,205 -1.6	240,857 -2.2	242,816 0.8	255,266 5.1	262,262 2.7	265,046 1.1
13. Value of physical change in inventories:	-109	-70	-2,562	-3,698	-4,144	1,777	3,361	7,067
14. Non-farm	18	-22	-2,475	-3,833	-4,281	1,416	3,664	6,337
15. Farm	-139	-59	-137	95	129	253	-259	642
16. Government	24	8	-7	-9	-61	51	-84	46
17. Statistical discrepancy	1,112	-256	-1,510	-2,716	-2,226	-1,800	-623	351
18. Gross Domestic Product at market prices	432,163 0.1 0.5	435,899 0.9 3.5	433,683 -0.5 -2.0	437,748 0.9 3.8	444,846 1.6 6.6	448,687 0.9 3.5	454,565 1.3 5.3	456,339 0.4 1.6
19. Final domestic demand	377,691 0.8	380,379 0.7	382,102 0.5	385,507 0.9	387,354 0.5	391,874 1.2	395,314 0.9	399,173 1.0

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 3

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Personal expenditure on consumer goods and services:	245,758 0.5	247,245 0.6	249,086 0.7	248,929 -0.1	251,776 1.1	-	-	-
2. Goods	110,809 -0.0	110,750 -0.1	111,461 0.6	109,569 -1.7	110,845 1.2	-	-	-
3. Services	135,055 1.0	136,597 1.1	137,728 0.8	139,441 1.2	141,013 1.1	-	-	-
4. Government expenditure on goods and services:	87,983 1.7	89,768 2.0	89,693 -0.1	91,854 2.4	92,825 1.1	-	-	-
5. Current expenditure	75,727 0.9	77,213 2.0	77,010 -0.3	78,901 2.5	79,510 0.8	-	-	-
6. Capital expenditure	12,322 7.3	12,626 2.5	12,769 1.1	13,036 2.1	13,434 3.0	-	-	-
7. Business gross fixed capital formation:	68,378 0.2	69,426 1.5	72,154 3.9	74,420 3.1	74,349 -0.1	-	-	-
8. Residential structures	24,208 -2.2	24,674 1.9	25,597 3.7	26,992 5.4	26,388 -2.2	-	-	-
9. Non-residential structures	9,694 -0.3	9,381 -3.2	9,136 -2.6	8,870 -2.9	8,880 0.1	-	-	-
10. Machinery and equipment	34,226 2.5	35,201 2.9	37,431 6.3	38,527 2.9	39,267 1.9	-	-	-
11. Exports of goods and services	311,633 -1.0	310,661 -0.3	302,847 -2.5	311,285 2.8	314,057 0.9	-	-	-
12. DEDUCT: Imports of goods and services	260,555 -1.7	265,040 1.7	258,106 -2.6	270,635 4.9	269,587 -0.4	-	-	-
13. Value of physical change in inventories:	7,087	5,875	-353	5,118	-680	-	-	-
14. Non-farm	6,974	5,554	-801	4,011	-907	-	-	-
15. Farm	-44	184	451	967	382	-	-	-
16. Government	18	-13	4	10	73	-	-	-
17. Statistical discrepancy	-628	539	-104	-1,145	-1,200	-	-	-
18. Gross Domestic Product at market prices	459,576 0.7 2.9	458,394 -0.3 -1.0	454,967 -0.7 -3.0	459,485 1.0 4.0	461,163 0.4 1.5	-	-	-
19. Final domestic demand	402,131 0.7	406,445 1.1	410,847 1.1	415,063 1.0	418,852 0.9	-	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

		2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1.	Wages, salaries and supplementary labour income (national basis)	238,569 1.0	240,191 0.7	240,897 0.3	239,828 -0.4	243,665 1.6	247,326 1.5	250,883 1.4	253,719 1.1
2.	Net income of farm operators from farm production	233 100.9	294 26.2	374 27.2	218 -41.7	225 3.2	160 -28.9	263 64.4	478 81.7
3.	Net income of non-farm unincorporated business, including rent	28,179 -1.4	28,761 2.1	29,411 2.3	30,164 2.6	30,823 2.2	31,574 2.4	32,029 1.4	32,351 1.0
4.	Interest, dividends and miscellaneous investment income	47,789 -1.3	47,229 -1.2	46,483 -1.6	45,300 -2.5	44,547 -1.7	44,392 -0.3	43,892 -1.1	43,337 -1.3
5.	Current transfers from government, corporations and non-residents	45,021 8.3	43,464 -3.5	44,077 1.4	44,352 0.6	44,978 1.4	44,836 -0.3	45,335 1.1	46,545 2.7
6.	Equals: Personal income	359,791 1.3	359,939 0.0	361,242 0.4	359,862 -0.4	364,238 1.2	368,288 1.1	372,402 1.1	376,430 1.1
7.	Deduct: Personal direct taxes	60,492 3.5	62,441 3.2	63,309 1.4	63,477 0.3	61,069 -3.8	59,853 -2.0	59,554 -0.5	60,490 1.6
8.	Other current transfers to government	23,588 4.3	24,015 1.8	24,443 1.8	24,846 1.6	25,180 1.3	25,675 2.0	25,974 1.2	26,325 1.4
9.	Equals: Personal disposable income	275,711 0.6	273,483 -0.8	273,490 0.0	271,539 -0.7	277,989 2.4	282,760 1.7	286,874 1.5	289,615 1.0
10.	Deduct: Personal expenditure on consumer goods and services	247,118 0.8	250,215 1.3	250,332 0.0	252,817 1.0	257,053 1.7	261,607 1.8	265,907 1.6	270,707 1.8
11.	Current transfers to corporations	4,981 -2.6	5,217 4.7	4,933 -5.4	4,761 -3.5	4,588 -3.6	4,477 -2.4	4,699 5.0	4,899 4.3
12.	Current transfers to non-residents	794 10.3	725 -8.7	845 16.6	868 2.7	949 9.3	893 -5.9	970 8.6	971 0.1
13.	Equals: Personal saving	22,918 -0.5	17,426 -24.0	17,480 0.3	13,193 -24.5	15,399 16.7	15,883 3.1	15,398 -3.1	12,938 -16.0
14.	Personal saving rate (percent)	8.3	6.4	6.4	4.9	5.5	5.6	5.4	4.5
15.	Real personal disposable income * (millions of chained (1997) dollars)	257,283 0.2	253,326 -1.5	253,412 0.0	251,708 -0.7	256,159 1.8	258,974 1.1	260,109 0.4	261,487 0.5
16.	Population (thousands)	11,774 0.2	11,828 0.5	11,898 0.6	11,963 0.5	11,982 0.2	12,032 0.4	12,097 0.5	12,145 0.4
17.	Personal disposable income per capita (dollars)	23,416 0.4	23,121 -1.3	22,987 -0.6	22,698 -1.3	23,200 2.2	23,500 1.3	23,715 0.9	23,846 0.6
18.	Real personal disposable income per capita (chained (1997) dollars)	21,851 -0.0	21,417 -2.0	21,299 -0.6	21,040 -1.2	21,378 1.6	21,523 0.7	21,503 -0.1	21,530 0.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

		2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1.	Wages, salaries and supplementary labour income (national basis)	255,198 0.6	255,142 -0.0	255,681 0.2	258,145 1.0	260,118 0.8	- -	- -	- -
2.	Net income of farm operators from farm production	201 -57.9	126 -37.3	29 -77.0	41 41.4	73 78.0	- -	- -	- -
3.	Net income of non-farm unincorporated business, including rent	32,590 0.7	32,939 1.1	33,347 1.2	33,669 1.0	34,222 1.6	- -	- -	- -
4.	Interest, dividends and miscellaneous investment income	43,617 0.6	43,496 -0.3	43,981 1.1	43,111 -2.0	43,348 0.5	- -	- -	- -
5.	Current transfers from government, corporations and non-residents	46,749 0.4	46,892 0.3	47,037 0.3	46,957 -0.2	47,543 1.2	- -	- -	- -
6.	Equals: Personal income	378,355 0.5	378,595 0.1	380,075 0.4	381,923 0.5	385,304 0.9	- -	- -	- -
7.	Deduct: Personal direct taxes	60,553 0.1	59,486 -1.8	61,506 3.4	61,762 0.4	62,300 0.9	- -	- -	- -
8.	Other current transfers to government	26,564 0.9	26,721 0.6	27,081 1.3	27,543 1.7	27,730 0.7	- -	- -	- -
9.	Equals: Personal disposable income	291,238 0.6	292,388 0.4	291,488 -0.3	292,618 0.4	295,274 0.9	- -	- -	- -
10.	Deduct: Personal expenditure on consumer goods and services	273,996 1.2	274,143 0.1	278,238 1.5	277,534 -0.3	281,731 1.5	- -	- -	- -
11.	Current transfers to corporations	5,091 3.9	5,179 1.7	5,332 3.0	5,375 0.8	5,487 2.1	- -	- -	- -
12.	Current transfers to non-residents	1,025 5.6	967 -5.7	1,024 5.9	1,036 1.2	1,058 2.1	- -	- -	- -
13.	Equals: Personal saving	11,326 -12.5	12,299 8.6	7,094 -42.3	8,873 25.1	6,998 -21.1	- -	- -	- -
14.	Personal saving rate (percent)	3.9	4.2	2.4	3.0	2.4	-	-	-
15.	Real personal disposable income * (millions of chained (1997) dollars)	261,215 -0.1	263,305 0.8	260,386 -1.1	261,007 0.2	263,624 1.0	- -	- -	- -
16.	Population (thousands)	12,157 0.1	12,193 0.3	12,238 0.4	12,281 0.3	12,294 0.1	- -	- -	- -
17.	Personal disposable income per capita (dollars)	23,957 0.5	23,979 0.1	23,818 -0.7	23,827 0.0	24,018 0.8	- -	- -	- -
18.	Real personal disposable income per capita (chained (1997) dollars)	21,488 -0.2	21,594 0.5	21,276 -1.5	21,253 -0.1	21,444 0.9	- -	- -	- -

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 5***Seasonally adjusted data at annual rates, millions of dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Exports of goods and services	319,668 -2.9	321,491 0.6	312,802 -2.7	307,140 -1.8	318,268 3.6	324,962 2.1	334,698 3.0	331,649 -0.9
2. Of which: International	234,239 -3.4	235,717 0.6	228,555 -3.0	226,354 -1.0	233,500 3.2	236,227 1.2	242,669 2.7	235,974 -2.8
3. Of which: Interprovincial	85,429 -1.3	85,773 0.4	84,247 -1.8	80,786 -4.1	84,768 4.9	88,735 4.7	92,029 3.7	95,675 4.0
4. Imports of goods and services	271,886 -3.8	271,287 -0.2	265,054 -2.3	258,150 -2.6	264,353 2.4	276,427 4.6	286,375 3.6	288,715 0.8
5. Trade balance	47,782	50,204	47,748	48,990	53,915	48,535	48,323	42,935

*Note: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO TRADE

TABLE 5

Seasonally adjusted data at annual rates, millions of dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Exports of goods and services	325,428 -1.9	309,556 -4.9	301,030 -2.8	305,062 1.3	311,801 2.2	-	-	-
2. Of which: International	231,283 -2.0	219,114 -5.3	212,657 -2.9	217,661 2.4	223,716 2.8	-	-	-
3. Of which: Interprovincial	94,145 -1.6	90,442 -3.9	88,374 -2.3	87,402 -1.1	88,085 0.8	-	-	-
4. Imports of goods and services	282,410 -2.2	271,630 -3.8	263,869 -2.9	270,596 2.5	274,195 1.3	-	-	-
5. Trade balance	43,018	37,926	37,161	34,466	37,606	-	-	-

Note: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

Using seasonally adjusted data, chained (1997) dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	107.2 0.5	108.0 0.7	107.9 -0.0	107.9 -0.0	108.5 0.6	109.2 0.6	110.3 1.0	110.8 0.4
2. Goods	107.0 0.7	108.3 1.2	107.8 -0.5	106.9 -0.8	107.2 0.3	108.2 0.9	109.8 1.5	109.9 0.1
3. Services	107.2 0.3	107.6 0.4	108.0 0.4	108.6 0.6	109.5 0.9	109.9 0.4	110.6 0.6	111.4 0.7
4. Government expenditure on goods and services:	106.7 0.6	106.5 -0.2	107.7 1.1	108.3 0.6	109.2 0.9	109.8 0.5	111.0 1.1	111.8 0.7
5. Current expenditure	107.4 0.8	107.1 -0.2	108.5 1.3	109.2 0.7	110.2 0.9	110.9 0.6	112.1 1.1	113.1 0.9
6. Capital expenditure	102.4 -0.7	102.5 0.0	101.9 -0.6	101.8 -0.0	102.7 0.8	102.4 -0.3	103.4 0.9	103.1 -0.3
7. Business gross fixed capital formation:	104.4 0.1	105.5 1.1	104.9 -0.6	104.7 -0.2	106.7 1.9	107.8 1.0	107.4 -0.3	108.2 0.7
8. Residential structures	110.2 0.5	111.8 1.5	111.9 0.1	112.8 0.8	115.2 2.1	116.8 1.4	116.9 0.1	119.0 1.8
9. Non-residential structures	112.4 -1.5	113.0 0.5	112.1 -0.8	112.2 0.1	114.0 1.6	115.2 1.0	116.5 1.2	117.6 0.9
10. Machinery and equipment	98.6 0.2	99.7 1.1	98.6 -1.1	97.6 -1.0	99.3 1.7	100.2 0.8	99.0 -1.2	98.6 -0.4
11. Exports of goods and services	105.1 0.2	105.0 -0.0	103.6 -1.4	102.5 -1.1	103.8 1.2	104.1 0.3	105.0 0.9	105.3 0.3
12. DEDUCT: Imports of goods and services	108.5 1.2	108.4 -0.0	107.7 -0.7	107.2 -0.4	108.9 1.6	108.3 -0.5	109.2 0.8	108.9 -0.2
13. Gross Domestic Product at market prices	104.8 0.4 1.5	104.8 0.0 0.0	104.4 -0.3 -1.3	103.0 -1.4 -5.4	104.0 0.9 3.8	106.2 2.2 8.9	106.7 0.4 1.7	107.9 1.2 4.7
14. Final domestic demand	106.6 0.4	107.2 0.6	107.3 0.1	107.4 0.1	108.4 0.9	109.1 0.7	109.9 0.8	110.5 0.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

Using seasonally adjusted data, chained (1997) dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Personal expenditure on consumer goods and services:	111.5 0.7	110.9 -0.5	111.7 0.7	111.5 -0.2	111.9 0.4	- -	- -	- -
2. Goods	111.5 1.4	110.0 -1.3	111.0 0.9	110.6 -0.4	111.0 0.4	- -	- -	- -
3. Services	111.4 0.0	111.5 0.1	112.2 0.6	112.1 -0.1	112.5 0.4	- -	- -	- -
4. Government expenditure on goods and services:	111.8 0.0	111.4 -0.4	113.5 1.9	113.7 0.2	114.5 0.6	- -	- -	- -
5. Current expenditure	112.8 -0.3	112.7 -0.1	115.2 2.3	115.8 0.5	116.5 0.6	- -	- -	- -
6. Capital expenditure	105.4 2.3	102.8 -2.5	102.0 -0.8	100.4 -1.5	101.2 0.8	- -	- -	- -
7. Business gross fixed capital formation:	108.1 -0.1	106.6 -1.4	106.7 0.0	105.7 -0.9	105.9 0.2	- -	- -	- -
8. Residential structures	120.3 1.1	121.5 1.0	123.5 1.6	124.1 0.5	124.6 0.4	- -	- -	- -
9. Non-residential structures	118.6 0.8	118.3 -0.2	119.0 0.6	119.5 0.5	120.6 1.0	- -	- -	- -
10. Machinery and equipment	97.3 -1.3	93.6 -3.8	92.2 -1.5	89.7 -2.7	89.5 -0.2	- -	- -	- -
11. Exports of goods and services	104.4 -0.9	99.6 -4.6	99.4 -0.2	98.0 -1.4	99.3 1.3	- -	- -	- -
12. DEDUCT: Imports of goods and services	108.4 -0.5	102.5 -5.4	102.2 -0.2	100.0 -2.2	101.7 1.7	- -	- -	- -
13. Gross Domestic Product at market prices	108.0 0.1 0.5	107.4 -0.6 -2.4	108.0 0.6 2.4	108.1 0.0 0.2	109.0 0.9 3.6	- - -	- - -	- - -
14. Final domestic demand	111.0 0.4	110.3 -0.7	111.2 0.9	111.0 -0.2	111.4 0.4	- -	- -	- -

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 7

Millions of dollars

	2000	2001	2002	2003
1. Wages, salaries and supplementary labour income (domestic basis)	233,876 9.0	242,938 3.9	251,224 3.4	258,608 2.9
2. Corporation profits before taxes	54,956 10.5	48,168 -12.4	58,526 21.5	59,423 1.5
3. Interest and miscellaneous investment income	18,047 6.6	17,224 -4.6	16,985 -1.4	16,726 -1.5
4. Accrued net income of farm operators from farm production	177 -23.8	280 58.3	282 0.6	99 -64.7
5. Net income of non-farm unincorporated business, including rent	27,572 7.9	29,129 5.6	31,694 8.8	33,136 4.5
6. Inventory valuation adjustment	-871	243	-1,376	2,397
7. Indirect taxes less subsidies	57,151 4.0	59,463 4.0	62,479 5.1	62,370 -0.2
8. Capital consumption allowances	51,357 6.6	55,071 7.2	58,180 5.6	61,108 5.0
9. Statistical discrepancy	-1,060	869	1,128	362
10. Gross Domestic Product at market prices	441,204 7.9	453,384 2.8	479,122 5.7	494,229 3.2

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 8

Millions of dollars

	2000	2001	2002	2003
1. Personal expenditure on consumer goods and services:	239,512 7.1	250,121 4.4	263,818 5.5	275,978 4.6
2. Goods	107,677 7.4	112,137 4.1	118,523 5.7	122,582 3.4
3. Services	131,835 6.9	137,984 4.7	145,295 5.3	153,396 5.6
4. Government expenditure on goods and services:	82,678 8.1	88,023 6.5	93,912 6.7	101,145 7.7
5. Current expenditure	73,096 8.0	77,350 5.8	82,252 6.3	88,127 7.1
6. Capital expenditure	9,581 8.7	10,674 11.4	11,660 9.2	13,018 11.6
7. Business gross fixed capital formation:	68,419 4.8	70,544 3.1	73,011 3.5	75,898 4.0
8. Residential structures	21,854 10.7	24,718 13.1	28,305 14.5	31,052 9.7
9. Non-residential structures	11,256 -4.8	11,058 -1.8	11,179 1.1	11,014 -1.5
10. Machinery and equipment	35,309 4.6	34,768 -1.5	33,527 -3.6	33,832 0.9
11. Exports of goods and services	321,009 9.8	315,275 -1.8	327,394 3.8	310,269 -5.2
12. DEDUCT: Imports of goods and services	275,418 10.6	266,594 -3.2	278,967 4.6	272,127 -2.5
13. Value of physical change in inventories:	3,944	-3,116	1,082	3,429
14. Non-farm	4,016	-3,054	840	3,194
15. Farm	-79	-65	256	230
16. Government	7	4	-14	5
17. Statistical discrepancy	1,060	-869	-1,128	-362
18. Gross Domestic Product at market prices	441,204 7.9	453,384 2.8	479,122 5.7	494,229 3.2
19. Final domestic demand	390,608 6.9	408,688 4.6	430,742 5.4	453,020 5.2

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 9***Millions of chained (1997) dollars*

	2000	2001	2002	2003
1. Personal expenditure on consumer goods and services:	226,890 4.7	232,175 2.3	240,502 3.6	247,754 3.0
2. <i>Goods</i>	102,650 4.9	104,310 1.6	108,936 4.4	110,647 1.6
3. <i>Services</i>	124,340 4.6	127,964 2.9	131,675 2.9	137,205 4.2
4. Government expenditure on goods and services:	78,191 4.1	82,030 4.9	85,031 3.7	89,824 5.6
5. <i>Current expenditure</i>	68,736 3.9	71,567 4.1	73,720 3.0	77,213 4.7
6. <i>Capital expenditure</i>	9,417 5.8	10,449 11.0	11,330 8.4	12,688 12.0
7. Business gross fixed capital formation:	66,444 3.3	67,265 1.2	67,916 1.0	71,095 4.7
8. <i>Residential structures</i>	20,183 7.3	22,130 9.6	24,187 9.3	25,368 4.9
9. <i>Non-residential structures</i>	10,187 -10.0	9,833 -3.5	9,651 -1.8	9,270 -4.0
10. <i>Machinery and equipment</i>	36,147 5.7	35,239 -2.5	33,775 -4.2	36,346 7.6
11. Exports of goods and services	311,952 7.6	302,948 -2.9	313,148 3.4	309,107 -1.3
12. DEDUCT: Imports of goods and services	261,183 8.0	246,981 -5.4	256,348 3.8	263,584 2.8
13. Value of physical change in inventories:	4,842	-1,610	2,015	4,432
14. <i>Non-farm</i>	5,350	-1,578	1,784	3,935
15. <i>Farm</i>	-546	-60	191	389
16. <i>Government</i>	7	4	-12	5
17. Statistical discrepancy	1,025	-842	-1,075	-335
18. Gross Domestic Product at market prices	428,071 5.7	434,873 1.6	451,109 3.7	458,105 1.6
19. Final domestic demand	371,459 4.3	381,420 2.7	393,429 3.1	408,622 3.9

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 10

Millions of dollars

	2000	2001	2002	2003
1. Wages, salaries and supplementary labour income (national basis)	230,713 8.9	239,871 4.0	248,898 3.8	256,042 2.9
2. Net income of farm operators from farm production	177 -23.8	280 58.3	282 0.6	99 -64.7
3. Net income of non-farm unincorporated business, including rent	27,572 7.9	29,129 5.6	31,694 8.8	33,136 4.5
4. Interest, dividends and miscellaneous investment income	47,501 6.6	46,700 -1.7	44,042 -5.7	43,551 -1.1
5. Current transfers from government, corporations and non-residents	41,629 5.2	44,229 6.2	45,424 2.7	46,909 3.3
6. Equals: Personal income	347,592 8.0	360,209 3.6	370,340 2.8	379,737 2.5
7. Deduct: Personal direct taxes	59,869 5.1	62,430 4.3	60,242 -3.5	60,827 1.0
8. Other current transfers to government	22,429 8.9	24,223 8.0	25,789 6.5	26,977 4.6
9. Equals: Personal disposable income	265,294 8.7	273,556 3.1	284,310 3.9	291,933 2.7
10. Deduct: Personal expenditure on consumer goods and services	239,512 7.1	250,121 4.4	263,818 5.5	275,978 4.6
11. Current transfers to corporations	4,777 17.0	4,973 4.1	4,666 -6.2	5,244 12.4
12. Current transfers to non-residents	724 11.3	808 11.6	946 17.0	1,013 7.1
13. Equals: Personal saving	20,381 28.6	17,754 -12.9	14,905 -16.1	9,898 -33.6
14. Personal saving rate (percent)	7.7	6.5	5.3	3.4
15. Real personal disposable income * (millions of chained (1997) dollars)	251,308 6.2	253,932 1.0	259,182 2.1	261,478 0.9
16. Population (thousands)	11,685 1.6	11,898 1.8	12,097 1.7	12,238 1.2
17. Personal disposable income per capita (dollars)	22,703 7.0	22,992 1.3	23,503 2.2	23,854 1.5
18. Real personal disposable income per capita (chained (1997) dollars)	21,509 4.6	21,343 -0.8	21,427 0.4	21,365 -0.3

Notes: Per cent change from previous year is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE*Millions of dollars***TABLE 11**

	2000	2001	2002	2003
1. Exports of goods and services	321,009 9.8	315,275 -1.8	327,394 3.8	310,269 -5.2
2. Of which: International	236,954 9.3	231,216 -2.4	237,093 2.5	220,179 -7.1
3. Of which: Interprovincial	84,055 11.4	84,059 0.0	90,302 7.4	90,090 -0.2
4. Imports of goods and services	275,418 10.6	266,594 -3.2	278,967 4.6	272,127 -2.5
5. Trade balance	45,591	48,681	48,427	38,143

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 12

Using chained (1997) dollars

	2000	2001	2002	2003
1. Personal expenditure on consumer goods and services:	105.6 2.3	107.7 2.1	109.7 1.8	111.4 1.6
2. <i>Goods</i>	104.9 2.4	107.5 2.5	108.8 1.2	110.8 1.8
3. <i>Services</i>	106.0 2.2	107.8 1.7	110.3 2.3	111.8 1.3
4. Government expenditure on goods and services:	105.7 3.8	107.3 1.5	110.4 2.9	112.6 2.0
5. <i>Current expenditure</i>	106.3 4.0	108.1 1.6	111.6 3.2	114.1 2.3
6. <i>Capital expenditure</i>	101.7 2.7	102.2 0.4	102.9 0.7	102.6 -0.3
7. Business gross fixed capital formation:	103.0 1.5	104.9 1.8	107.5 2.5	106.8 -0.7
8. <i>Residential structures</i>	108.3 3.2	111.7 3.2	117.0 4.8	122.3 4.6
9. <i>Non-residential structures</i>	110.7 6.1	112.5 1.6	115.8 3.0	118.8 2.6
10. <i>Machinery and equipment</i>	97.7 -1.0	98.7 1.0	99.3 0.6	93.2 -6.1
11. Exports of goods and services	102.9 2.0	104.1 1.1	104.5 0.5	100.4 -4.0
12. DEDUCT: Imports of goods and services	105.4 2.5	107.9 2.4	108.8 0.8	103.3 -5.1
13. Gross Domestic Product at market prices	103.1 2.0	104.3 1.2	106.2 1.9	107.9 1.6
14. Final domestic demand	105.1 2.5	107.1 1.9	109.5 2.2	110.9 1.3

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Goods Producing Industries	125,852 -2.5	125,838 -0.0	122,165 -2.9	121,238 -0.8	126,003 3.9	127,715 1.4	129,218 1.2	129,272 0.0
2. Primary	7,717 -0.9	7,628 -1.2	7,486 -1.9	7,510 0.3	7,462 -0.7	7,715 3.4	7,874 2.1	8,085 2.7
3. Agriculture, Forestry, Fishing & Hunting	4,580 -2.8	4,528 -1.2	4,347 -4.0	4,258 -2.0	4,266 0.2	4,545 6.5	4,763 4.8	4,954 4.0
4. Mining	3,196 1.7	3,181 -0.5	3,195 0.5	3,273 2.4	3,197 -2.3	3,157 -1.3	3,102 -1.7	3,135 1.1
5. Utilities	9,730 -1.8	10,025 3.0	9,799 -2.2	10,051 2.6	10,070 0.2	10,413 3.4	10,169 -2.3	10,289 1.2
6. Electric Power	7,593 -1.4	7,917 4.3	7,769 -1.9	8,004 3.0	7,971 -0.4	8,155 2.3	8,052 -1.3	8,033 -0.2
7. Natural Gas, Water and Other	2,131 -3.1	2,101 -1.4	2,024 -3.7	2,040 0.8	2,092 2.5	2,252 7.6	2,111 -6.2	2,250 6.6
8. Construction	18,969 4.8	19,547 3.0	20,348 4.1	21,100 3.7	21,291 0.9	20,576 -3.4	20,385 -0.9	20,180 -1.0
9. Residential Buildings	7,604 5.6	7,638 0.4	7,931 3.8	8,311 4.8	8,733 5.1	8,456 -3.2	8,679 2.6	8,363 -3.6
10. Non-Residential Buildings and Engineering	11,377 4.2	11,909 4.7	12,415 4.2	12,780 2.9	12,555 -1.8	12,115 -3.5	11,706 -3.4	11,822 1.0
11. Manufacturing	89,381 -4.4	88,321 -1.2	84,095 -4.8	82,147 -2.3	86,799 5.7	88,734 2.2	90,600 2.1	90,502 -0.1
12. Food, Beverage, & Tobacco Products	9,742 3.2	9,885 1.5	9,951 0.7	10,077 1.3	10,146 0.7	10,016 -1.3	9,946 -0.7	9,802 -1.4
13. Textile, Clothing, & Leather Products	2,245 -7.6	2,127 -5.3	1,944 -8.6	1,856 -4.5	2,095 12.9	2,118 1.1	2,151 1.6	2,209 2.7
14. Wood Products and Furniture	5,025 -3.0	4,819 -4.1	4,525 -6.1	4,439 -1.9	4,699 5.9	4,704 0.1	4,921 4.6	4,945 0.5
15. Paper Products and Printing	6,596 -4.2	6,149 -6.8	6,035 -1.9	5,808 -3.8	5,985 3.0	6,182 3.3	6,205 0.4	6,234 0.5
16. Chemical and Petroleum Products	7,933 -4.2	7,978 0.6	7,500 -6.0	7,459 -0.6	7,954 6.6	8,287 4.2	8,569 3.4	8,832 3.1
17. Plastic and Rubber Products	6,375 0.9	6,223 -2.4	5,954 -4.3	5,901 -0.9	6,529 10.6	6,759 3.5	6,847 1.3	6,976 1.9
18. Primary Metal & Fabricated Metal Products	12,513 -4.5	12,525 0.1	12,319 -1.6	12,128 -1.6	12,785 5.4	13,217 3.4	13,218 0.0	13,255 0.3
19. Machinery	6,429 -4.2	6,191 -3.7	5,821 -6.0	5,522 -5.1	5,794 4.9	6,071 4.8	6,224 2.5	6,752 8.5

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
20. Electrical and Electronic Products	10,521 -15.7	9,615 -8.6	8,056 -16.2	6,924 -14.0	7,857 13.5	8,265 5.2	8,176 -1.1	8,303 1.6
21. Transportation Equipment	18,441 -4.0	19,451 5.5	18,980 -2.4	19,066 0.5	19,869 4.2	19,994 0.6	20,966 4.9	19,784 -5.6
22. Auto Industry (Vehicles & Parts)	16,090 -6.3	16,828 4.6	16,403 -2.5	16,144 -1.6	16,794 4.0	17,384 3.5	18,298 5.3	17,776 -2.9
23. Other Transportation Equipment	2,376 18.0	2,597 9.3	2,636 1.5	2,864 8.6	3,054 6.6	2,638 -13.6	2,547 -3.4	2,123 -16.7
24. Non-metallic Mineral Products & Other Manufacturing	4,148 -2.4	3,831 -7.6	3,389 -11.5	3,322 -2.0	3,515 5.8	3,591 2.2	3,831 6.7	3,944 3.0
25. Services Producing Industries	275,073 0.5	277,344 0.8	277,858 0.2	279,719 0.7	283,538 1.4	287,443 1.4	290,548 1.1	292,641 0.7
26. Wholesale Trade	26,278 -1.2	26,680 1.5	26,549 -0.5	26,125 -1.6	27,074 3.6	28,264 4.4	28,689 1.5	29,781 3.8
27. Retail Trade	20,342 -0.0	20,241 -0.5	19,957 -1.4	20,536 2.9	21,123 2.9	20,980 -0.7	21,087 0.5	21,497 1.9
28. Transportation and Warehousing	16,101 0.2	15,970 -0.8	15,959 -0.1	16,043 0.5	16,223 1.1	16,409 1.1	16,431 0.1	16,352 -0.5
29. Information & Culture (including Telecommunications)	16,736 0.5	17,073 2.0	17,301 1.3	17,738 2.5	18,046 1.7	18,189 0.8	18,342 0.8	18,434 0.5
30. Finance, Insurance, Real Estate, Rental & Leasing	86,026 0.8	86,731 0.8	87,259 0.6	88,162 1.0	89,335 1.3	91,204 2.1	91,575 0.4	91,712 0.1
31. Professional and Administrative Services	29,957 1.3	30,336 1.3	30,281 -0.2	30,178 -0.3	30,656 1.6	31,051 1.3	31,520 1.5	31,771 0.8
32. Education	17,401 -0.2	17,330 -0.4	17,360 0.2	17,270 -0.5	17,312 0.2	17,584 1.6	17,720 0.8	17,770 0.3
33. Health Care and Social Services	21,194 0.5	21,497 1.4	21,880 1.8	22,219 1.5	22,330 0.5	22,424 0.4	22,416 -0.0	22,388 -0.1
34. Arts, Entertainment & Recreation	3,676 0.4	3,618 -1.6	3,594 -0.7	3,608 0.4	3,623 0.4	3,866 6.7	3,783 -2.1	3,812 0.8
35. Accommodation and Food	9,037 3.1	9,063 0.3	8,731 -3.7	8,830 1.1	8,951 1.4	8,965 0.2	8,978 0.1	8,934 -0.5
36. Other Services	9,177 1.4	9,288 1.2	9,260 -0.3	9,168 -1.0	9,288 1.3	9,400 1.2	9,623 2.4	9,626 0.0
37. Public Administration	19,508 1.1	19,829 1.6	19,973 0.7	20,116 0.7	19,915 -1.0	19,463 -2.3	20,706 6.4	20,827 0.6
38. Total Production	401,190 -0.5 * -1.9	403,415 0.6 2.2	400,122 -0.8 -3.2	400,931 0.2 0.8	409,590 2.2 8.9	415,306 1.4 5.7	420,012 1.1 4.6	422,174 0.5 2.1

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Goods Producing Industries	129,202 -0.1	127,204 -1.5	126,390 -0.6	129,865 2.7	128,833 -0.8	-	-	-
2. Primary	7,855 -2.8	7,725 -1.7	7,707 -0.2	7,875 2.2	7,792 -1.1	-	-	-
3. Agriculture, Forestry, Fishing & Hunting	4,803 -3.0	4,919 2.4	4,966 0.9	5,051 1.7	4,989 -1.2	-	-	-
4. Mining	3,057 -2.5	2,799 -8.4	2,786 -0.5	2,917 4.7	2,853 -2.2	-	-	-
5. Utilities	10,524 2.3	9,699 -7.8	9,540 -1.6	9,337 -2.1	9,418 0.9	-	-	-
6. Electric Power	8,109 0.9	7,550 -6.9	7,477 -1.0	7,342 -1.8	7,302 -0.5	-	-	-
7. Natural Gas, Water and Other	2,434 8.2	2,186 -10.2	2,118 -3.1	2,069 -2.3	2,115 2.2	-	-	-
8. Construction	20,623 2.2	20,969 1.7	21,282 1.5	22,246 4.5	21,688 -2.5	-	-	-
9. Residential Buildings	8,544 2.2	8,866 3.8	9,106 2.7	9,772 7.3	9,406 -3.7	-	-	-
10. Non-Residential Buildings and Engineering	12,077 2.2	12,104 0.2	12,179 0.6	12,471 2.4	12,278 -1.5	-	-	-
11. Manufacturing	90,847 0.4	88,975 -2.1	86,887 -2.3	89,234 2.7	88,764 -0.5	-	-	-
12. Food, Beverage, & Tobacco Products	9,848 0.5	9,680 -1.7	9,596 -0.9	9,665 0.7	9,698 0.3	-	-	-
13. Textile, Clothing, & Leather Products	2,077 -6.0	1,927 -7.2	1,813 -5.9	1,874 3.3	1,797 -4.1	-	-	-
14. Wood Products and Furniture	5,011 1.3	4,885 -2.5	4,624 -5.4	4,608 -0.3	4,572 -0.8	-	-	-
15. Paper Products and Printing	6,287 0.8	6,140 -2.3	6,053 -1.4	6,140 1.4	6,004 -2.2	-	-	-
16. Chemical and Petroleum Products	8,789 -0.5	8,716 -0.8	8,615 -1.2	8,941 3.8	9,017 0.8	-	-	-
17. Plastic and Rubber Products	7,071 1.4	6,704 -5.2	6,566 -2.1	6,824 3.9	6,612 -3.1	-	-	-
18. Primary Metal & Fabricated Metal Products	13,403 1.1	13,039 -2.7	12,364 -5.2	13,016 5.3	12,622 -3.0	-	-	-
19. Machinery	6,353 -5.9	6,087 -4.2	5,769 -5.2	5,793 0.4	5,824 0.5	-	-	-

*Notes: Ontario Production is measured as Gross Domestic Product at basic prices.**Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
20. Electrical and Electronic Products	8,569 3.2	8,420 -1.7	8,146 -3.3	8,451 3.7	8,313 -1.6	-	-	-
21. Transportation Equipment	19,953 0.9	19,847 -0.5	19,889 0.2	20,502 3.1	21,004 2.4	-	-	-
22. Auto Industry (Vehicles & Parts)	17,887 0.6	17,557 -1.8	17,711 0.9	18,221 2.9	18,687 2.6	-	-	-
23. Other Transportation Equipment	2,139 0.8	2,276 6.4	2,096 -7.9	2,305 10.0	2,220 -3.7	-	-	-
24. Non-metallic Mineral Products & Other Manufacturing	3,980 0.9	3,997 0.4	3,890 -2.7	3,867 -0.6	3,792 -1.9	-	-	-
25. Services Producing Industries	293,702 0.4	293,904 0.1	293,625 -0.1	296,183 0.9	298,451 0.8	-	-	-
26. Wholesale Trade	30,192 1.4	29,933 -0.9	29,219 -2.4	30,303 3.7	29,389 -3.0	-	-	-
27. Retail Trade	21,673 0.8	21,545 -0.6	21,584 0.2	21,223 -1.7	21,648 2.0	-	-	-
28. Transportation and Warehousing	16,369 0.1	16,202 -1.0	16,211 0.1	16,573 2.2	16,613 0.2	-	-	-
29. Information & Culture (including Telecommunications)	18,695 1.4	18,857 0.9	18,765 -0.5	18,798 0.2	18,850 0.3	-	-	-
30. Finance, Insurance, Real Estate, Rental & Leasing	91,329 -0.4	92,237 1.0	92,578 0.4	92,753 0.2	94,153 1.5	-	-	-
31. Professional and Administrative Services	32,093 1.0	32,350 0.8	32,413 0.2	32,346 -0.2	32,735 1.2	-	-	-
32. Education	17,517 -1.4	17,361 -0.9	17,204 -0.9	17,345 0.8	17,538 1.1	-	-	-
33. Health Care and Social Services	22,820 1.9	22,997 0.8	23,458 2.0	23,795 1.4	24,045 1.0	-	-	-
34. Arts, Entertainment & Recreation	3,866 1.4	3,901 0.9	3,871 -0.8	3,961 2.3	3,863 -2.5	-	-	-
35. Accommodation and Food	8,806 -1.4	8,303 -5.7	8,511 2.5	8,842 3.9	8,837 -0.1	-	-	-
36. Other Services	9,629 0.0	9,544 -0.9	9,496 -0.5	9,686 2.0	9,771 0.9	-	-	-
37. Public Administration	21,096 1.3	21,031 -0.3	20,725 -1.5	21,130 2.0	21,592 2.2	-	-	-
38. Total Production	424,188 0.5	421,761 -0.6	419,510 -0.5	425,794 1.5	426,842 0.2	-	-	-
*	1.9	-2.3	-2.1	6.1	1.0	-	-	-

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of chained (1997) dollars

	2000	2001	2002	2003
1. Goods Producing Industries	127,402 7.4	123,773 -2.8	128,052 3.5	128,165 0.1
2. Primary	7,844 0.6	7,585 -3.3	7,784 2.6	7,790 0.1
3. Agriculture, Forestry, Fishing & Hunting	4,790 -2.0	4,428 -7.5	4,632 4.6	4,935 6.5
4. Mining	3,099 6.0	3,211 3.6	3,148 -2.0	2,890 -8.2
5. Utilities	9,931 0.4	9,901 -0.3	10,235 3.4	9,775 -4.5
6. Electric Power	7,813 -1.7	7,821 0.1	8,053 3.0	7,620 -5.4
7. Natural Gas, Water and Other	2,112 8.5	2,074 -1.8	2,176 4.9	2,202 1.2
8. Construction	18,403 2.5	19,991 8.6	20,608 3.1	21,280 3.3
9. Residential Buildings	7,165 6.1	7,871 9.9	8,558 8.7	9,072 6.0
10. Non-Residential Buildings and Engineering	11,238 0.3	12,120 7.8	12,050 -0.6	12,208 1.3
11. Manufacturing	91,145 10.1	85,986 -5.7	89,159 3.7	88,986 -0.2
12. Food, Beverage, & Tobacco Products	9,342 -0.1	9,914 6.1	9,978 0.6	9,697 -2.8
13. Textile, Clothing, & Leather Products	2,222 18.6	2,043 -8.1	2,143 4.9	1,923 -10.3
14. Wood Products and Furniture	4,850 21.0	4,702 -3.0	4,818 2.5	4,782 -0.7
15. Paper Products and Printing	6,342 15.2	6,147 -3.1	6,151 0.1	6,155 0.1
16. Chemical and Petroleum Products	7,759 6.7	7,717 -0.5	8,411 9.0	8,765 4.2
17. Plastic and Rubber Products	5,919 16.6	6,113 3.3	6,778 10.9	6,791 0.2
18. Primary Metal & Fabricated Metal Products	12,739 14.4	12,371 -2.9	13,119 6.0	12,956 -1.2
19. Machinery	6,564 18.1	5,991 -8.7	6,210 3.7	6,001 -3.4

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of chained (1997) dollars

	2000	2001	2002	2003
20. Electrical and Electronic Products	11,529 31.1	8,779 -23.9	8,150 -7.2	8,396 3.0
21. Transportation Equipment	20,523 -1.5	18,985 -7.5	20,153 6.2	20,048 -0.5
22. Auto Industry (Vehicles & Parts)	18,064 0.7	16,366 -9.4	17,563 7.3	17,844 1.6
23. Other Transportation Equipment	2,460 -14.8	2,618 6.5	2,590 -1.1	2,204 -14.9
24. Non-metallic Mineral Products & Other Manufacturing	3,855 13.1	3,673 -4.7	3,720 1.3	3,933 5.7
25. Services Producing Industries	268,431 5.3	277,499 3.4	288,543 4.0	294,353 2.0
26. Wholesale Trade	26,067 7.1	26,408 1.3	28,452 7.7	29,912 5.1
27. Retail Trade	19,885 6.8	20,269 1.9	21,172 4.5	21,506 1.6
28. Transportation and Warehousing	16,188 3.9	16,018 -1.0	16,354 2.1	16,339 -0.1
29. Information & Culture (including Telecommunications)	16,029 10.2	17,212 7.4	18,253 6.0	18,779 2.9
30. Finance, Insurance, Real Estate, Rental & Leasing	83,265 6.2	87,044 4.5	90,956 4.5	92,224 1.4
31. Professional and Administrative Services	28,841 7.8	30,188 4.7	31,250 3.5	32,300 3.4
32. Education	17,148 0.3	17,340 1.1	17,596 1.5	17,357 -1.4
33. Health Care and Social Services	21,031 1.6	21,698 3.2	22,390 3.2	23,268 3.9
34. Arts, Entertainment & Recreation	3,549 5.4	3,624 2.1	3,771 4.1	3,900 3.4
35. Accommodation and Food	8,750 1.8	8,916 1.9	8,957 0.5	8,615 -3.8
36. Other Services	8,875 4.4	9,223 3.9	9,484 2.8	9,589 1.1
37. Public Administration	19,105 2.4	19,857 3.9	20,228 1.9	20,996 3.8
38. Total Production	396,133 6.0	401,414 1.3	416,771 3.8	422,813 1.4

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

**For further information on the *Ontario Economic Accounts*,
please contact us at:**

Ministry of Finance
Macroeconomic Analysis & Policy Branch
Current Analysis Unit
6th Floor, Frost Building North
95 Grosvenor Street
Toronto, ON M7A 1Z1
416 325-0755

e-mail: macroeconomics@fin.gov.on.ca

website: <http://www.gov.on.ca/FIN/english/enghome.htm>

CASON
TR17
- B75

Publications

October 2004

**Ontario
Ministry
of Finance**

**Second Quarter
of 2004**
(April, May, June)

Ontario Economic Accounts



Table of Contents

Second-Quarter Highlights	1
Demand and Incomes	3
Ontario Production By Industry	7
Ontario Economic Accounts: Summary Charts (1999:1-2004:2)	12
List of Tables	15

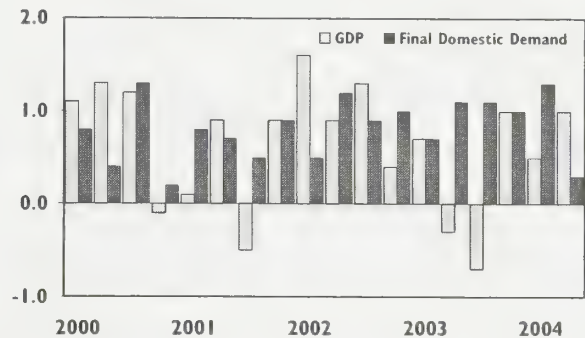


SECOND-QUARTER HIGHLIGHTS: APRIL-JUNE 2004

- ❑ Ontario economic growth rebounded to 1.0% (4.2% annualized) in the second quarter of 2004, from 0.5% (2.1% annualized) in the first quarter. Ontario's **real GDP growth** was slightly below Canada's advance of 1.1% (4.3% annualized) but stronger than U.S. growth which slowed to 0.8% (3.3% annualized) in the second quarter.
- ❑ Economic growth in Ontario in the second quarter was led by strong export gains, a rebound in residential construction and continued growth in business machinery and equipment investment. However, **final domestic demand** slowed to 0.3%.
- ❑ **Real consumer spending** declined by 0.1%, following a strong 1.4% first quarter advance. Consumer spending on durable goods was particularly weak, slipping 2.2% in the second quarter while consumption of services grew significantly more slowly than in the first quarter.
- ❑ **Real residential construction** investment resumed its upward path, rising by 2.2% in the second quarter, following a 1.8% decline in the first quarter. Continued strong activity in the resale market along with gains in new housing construction and renovations pushed Ontario residential investment to a record level in the quarter.
- ❑ **Real business investment** growth remained healthy, advancing 1.1% in the second quarter, following a robust 2.3% gain in the first quarter. In particular, machinery and equipment investment advanced for the sixth consecutive quarter, growing by 1.1% while non-residential construction increased 0.8% following a 0.7% increase in the first quarter.
- ❑ Businesses reduced **real non-farm inventories** by \$1.9 billion in the second quarter, following a similar \$1.5 billion reduction in the first quarter. The second quarter run-down was broadly-based as manufacturers, wholesalers and retailers all reduced their inventory stocks.

Ontario Real GDP Growth Accelerates in the Second Quarter

Per Cent Change



- **Ontario's real exports** jumped 3.5% in the second quarter to more than \$325 billion (real 1997 dollars), an all-time record and the strongest quarterly gain in almost five years. **Real imports** grew by a solid 2.5% in the second quarter, following no growth in the first quarter.
- With export growth outpacing that of imports, Ontario's **real trade surplus** widened appreciably in the second quarter. The \$4.2 billion gain in net trade was the major contributor to real GDP growth in the second quarter.
- In current dollars, **nominal GDP** advanced at its strongest pace in two years, growing by 2.1% in the second quarter, up from a 1.3% increase in the first quarter. Economy-wide prices as measured by the **GDP implicit price index** rose by 1.0% in the second quarter, up from a 0.8% first quarter increase.

ONTARIO ECONOMIC ACCOUNTS: HIGHLIGHTS

(% change from previous period)

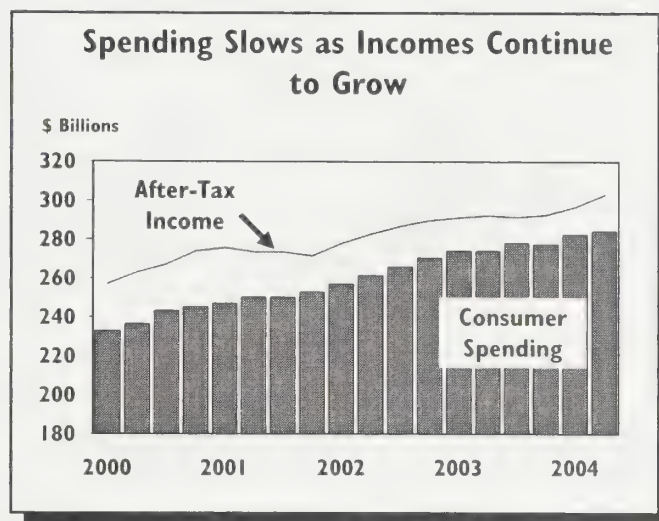
	2002	2003	2003:3	2003:4	2004:1	2004:2
Real GDP (Chained \$ 1997)	3.7	1.6	-0.7	1.0	0.5	1.0
(annualized rate)			-3.0	4.0	2.1	4.2
Personal spending	3.6	3.0	0.7	-0.1	1.4	-0.1
Government spending	3.7	5.6	-0.1	2.4	1.4	0.5
Residential construction	9.3	4.9	3.7	5.4	-1.8	2.2
Non-residential construction	-1.8	-4.0	-2.6	-2.9	0.7	0.8
Machinery & equipment	-4.2	7.6	6.3	2.9	2.6	1.1
Exports	3.4	-1.3	-2.5	2.8	1.0	3.5
Imports	3.8	2.8	-2.6	4.9	0.0	2.5
Business inventories (Chained \$1997 billions)	1.8	3.9	-0.8	4.0	-1.5	-1.9
Nominal GDP (\$ Current)	5.7	3.2	-0.2	1.0	1.3	2.1
Corporation profits	21.5	1.5	-1.1	0.5	6.5	5.8
Personal income	2.8	2.5	0.4	0.5	1.2	1.2
Disposable income	3.9	2.7	-0.3	0.4	1.5	2.0
Implicit price index, GDP	1.9	1.6	0.6	0.0	0.8	1.0

DEMAND AND INCOMES

CONSUMER SPENDING FLAT IN SECOND QUARTER

Real consumer spending was noticeably restrained in the second quarter, falling 0.1% after posting a strong 1.4% gain in the first quarter. The weakness in consumer spending was particularly concentrated in spending on durable goods which fell by 2.2%. Personal expenditures on non-durables (largely energy and food) was also weak, declining by 0.1% in the quarter.

Consumer spending on services increased by 0.3% in the second quarter, as consumers increased outlays on a variety of recreation, entertainment, education and cultural services.

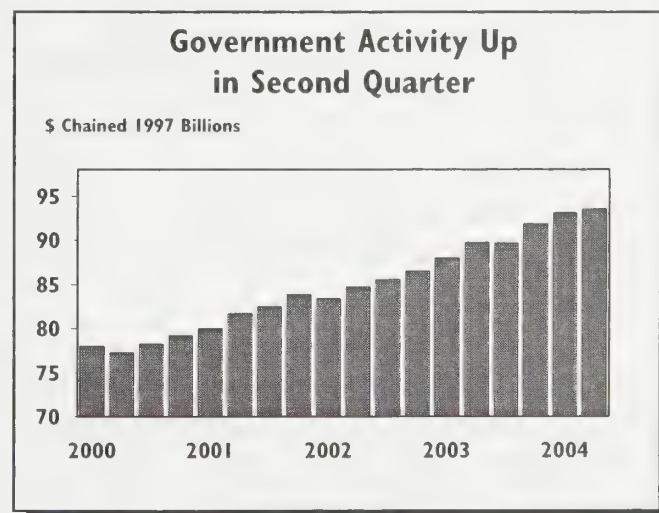


Personal disposable income increased by 2.0% in the second quarter, following a 1.5% gain in the first quarter. Labour income, the largest component of household income, increased at a healthy 1.2% pace (the same growth rate as total personal income for the quarter) following similar growth of 1.1% in the first quarter. Contributing to the solid labour income growth was a 0.4% increase in Ontario employment, for a gain of 26,000 jobs in the quarter. In current dollars, personal consumption grew by 0.6%, slowing from a 1.9% increase in the first quarter. With income growth outpacing consumer spending, Ontario's **savings rate** rose to 3.9% from 2.6% in the first quarter.

GOVERNMENT ACTIVITY CONTINUES TO GROW

Real government current expenditures on goods and services increased by 0.8%, moderating from a 1.2% increase in the first quarter and a 2.5% rebound in the fourth quarter of 2003.

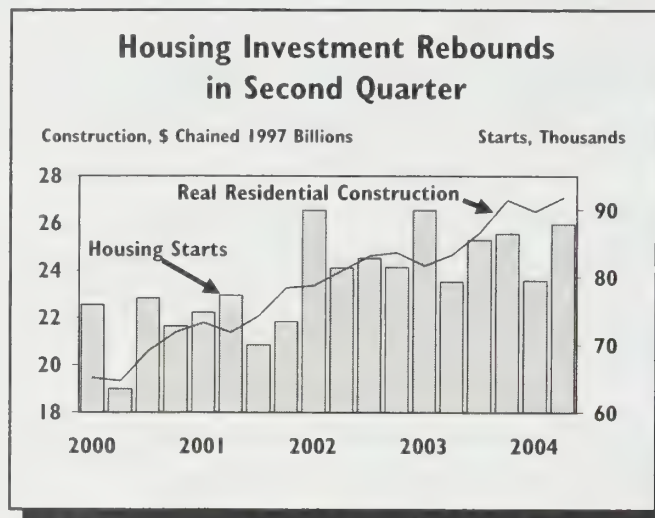
Government **real capital spending** declined by 1.6% in the second quarter, following a 2.6% increase in the first quarter.



HOUSING MARKET STRONG IN SECOND QUARTER

Real residential construction investment resumed its upward path rising by 2.2% in the second quarter, following a 1.8% decline in the first quarter. The major driver of the second quarter gain was strong growth in real estate commissions, a reflection of Ontario's robust housing resale market which rose 7.3% in the quarter. Healthy gains in new housing construction and renovations also helped push residential investment to a record level in the second quarter.

The latest gain extends Ontario's robust housing market performance which has benefited from low interest rates, solid employment growth and rising income levels. These factors, which have kept housing starts and resale activity at very strong levels since 2002, have propelled investment in residential construction to all-time record levels.

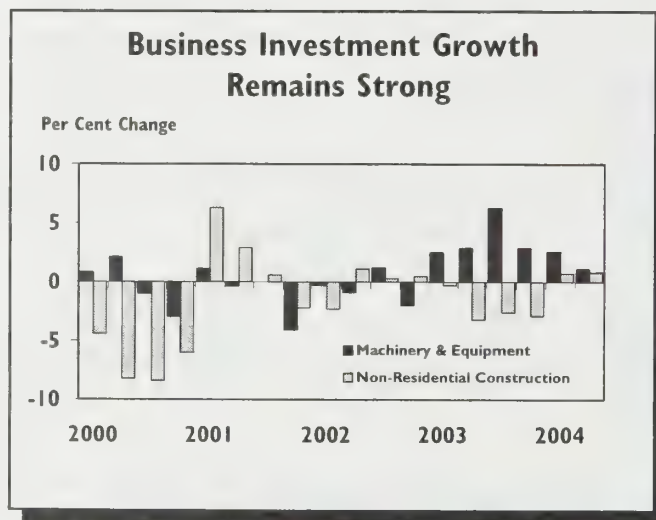


BUSINESS INVESTMENT REMAINS STRONG IN SECOND QUARTER

Real business spending on plant and equipment remained robust, increasing 1.1% in the second quarter, following a strong 2.3% gain in the first quarter.

Investment in **machinery and equipment** advanced for the sixth consecutive quarter, growing by 1.1%. Since its recent low point in the fourth quarter of 2002, machinery and equipment investment has increased by almost 20%. Strong business spending on computers and other office equipment helped support investment growth in the April-June quarter.

Real non-residential construction rose 0.8% in the second quarter, following a 0.7% increase in the first quarter.



Ontario **pre-tax corporate profits** jumped 5.8% in the second quarter, following a 6.5% advance in the first quarter. The increase, the third in a row, was led by strong profit growth for manufacturers and retailers. Partially offsetting these gains were lower profits for Ontario's financial sector.

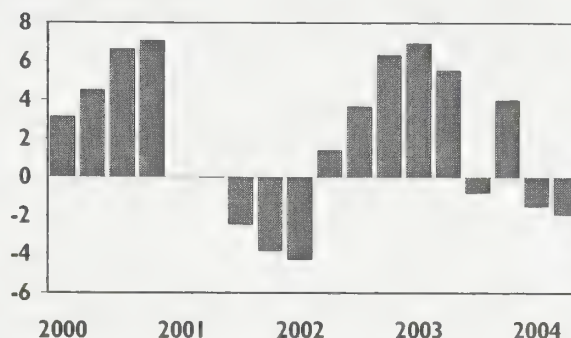
INVESTMENT LEVELS DECLINE IN SECOND QUARTER

Demand continued to outpace supply as **inventory** levels fell by \$1.9 billion in the second quarter, following a similar \$1.5 billion reduction in the first quarter.

Much of the second quarter reduction in inventories occurred in the manufacturing and wholesale sectors.

Businesses Continue Cutting Inventories

\$ Chained 1997 Billions



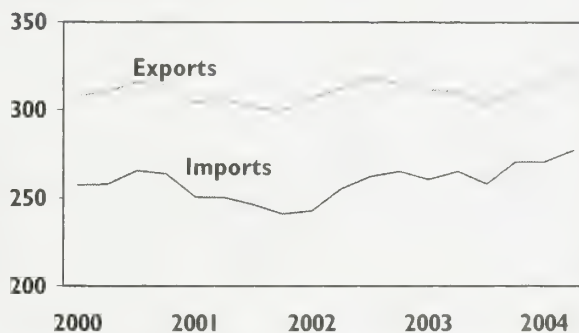
TRADE BOOSTS GROWTH IN SECOND QUARTER

Ontario's real exports continued to recover from last year's weak performance, advancing by 3.5% in the second quarter to an all-time high of more than \$325 billion (real 1997 dollars) and the strongest quarterly advance in almost five years. Prior to the 2.8% jump in the fourth quarter of 2003, exports had declined for four consecutive quarters, due in large part to the unprecedented appreciation of the Canadian dollar against its U.S. counterpart.

The second quarter growth in exports was largely the result of strong U.S. demand for industrial goods and machinery. Business investment in new equipment accounted for nearly a third of the growth in U.S. real GDP in the second quarter.

Exports Rise Faster than Imports in Second Quarter

\$ Chained 1997 Billions



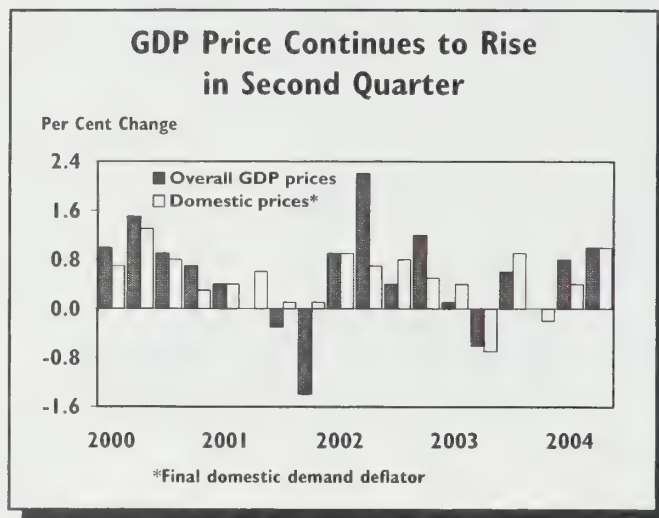
Real imports increased by a solid 2.5% in the second quarter. All categories of goods imports increased, with healthy gains coming from energy, forestry, autos and industrial goods in the second quarter.

With export growth leading that of imports, Ontario's **real trade surplus** widened considerably in the second quarter, adding more than \$4.2 billion to real GDP, and providing the major source of growth for Ontario's economy in the second quarter.

Economy-wide prices as measured by the **GDP implicit price index** rose by 1.0%, the fastest rate of increase since the fourth quarter of 2002.

Strong construction demand put upward pressure on Ontario's construction prices, with residential construction prices rising 2.7% and non-residential construction prices up 1.5%.

The price index for consumer expenditures rose 0.7% in the quarter, an increase dominated by strong price increases for non-durable goods, particularly gasoline.



ONTARIO PRODUCTION BY INDUSTRY

INDUSTRIAL PRODUCTION IN APRIL-JUNE QUARTER OF 2004

Industrial output advanced by 1.1% in the second quarter of 2004 (4.7% annualized), following 0.4% growth in the first quarter. In the second quarter, growth in the goods-producing sector reached 1.4%, outpacing the larger services sector (+1.0%).

Solid growth in the manufacturing (+2.3%), financial and real estate services (+1.1%) and wholesale trade (+3.1%) sectors contributed about four-fifths of the second quarter's advance.

The most significant declines in economic activity occurred in the utilities (-3.5%), public administration (-1.1%) and retail trade (-0.5%) industries.

ONTARIO OUTPUT BY SECTOR

(% change from previous period, chained \$1997)

	2002	2003	2003:3	2003:4	2004:1	2004:2
Goods Sector	3.5	0.1	-0.6	2.7	-0.3	1.4
Primary Industries	2.6	0.1	-0.2	2.2	-0.4	0.7
Manufacturing	3.7	-0.2	-2.3	2.7	-0.3	2.3
Of which: Auto Industry	7.3	1.6	0.9	2.9	2.5	3.1
Construction	3.1	3.3	1.5	4.5	-1.2	-0.4
Utilities	3.4	-4.5	-1.6	-2.1	2.4	-3.5
Service Sector	4.0	2.0	-0.1	0.9	0.9	1.0
Transportation and Warehousing	2.1	-0.1	0.1	2.2	-0.1	1.9
Wholesale Trade	7.7	5.1	-2.4	3.7	-1.3	3.1
Retail Trade	4.5	1.6	0.2	-1.7	1.3	-0.5
Finance, Insurance and Real Estate	4.5	1.4	0.4	0.2	1.2	1.1
Information and Cultural Industries	6.0	2.9	-0.5	0.2	0.4	2.2
Public Administration	1.9	3.8	-1.5	2.0	2.3	-1.1
Ontario Output at Basic Prices	3.8	1.4	-0.5	1.5	0.4	1.1
(annualized rate)			-2.1	-6.1	1.8	4.7

Notes: Real output by sector is measured as real gross domestic product at basic prices in chained 1997 dollars.

Basic prices reflect costs incurred while creating the product and include taxes and subsidies on labour and capital inputs, but not taxes and subsidies on an industry's products.

MANUFACTURING SECTOR STRENGTHENS

Manufacturing jumped 2.3% in the second quarter, following a 0.3% decline in the first quarter. Growth was broad-based as ten of eleven manufacturing industries* increased their output. The growth in manufacturing output in the second quarter represented more than 40% of the economy's overall growth for the quarter.

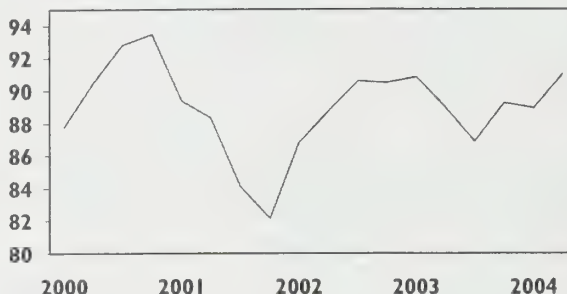
The most significant advance in manufacturing activity occurred in the auto industry (+3.1%), which increased its production for a fourth consecutive quarter. Auto assembly shot up 4.5% while parts manufacturing rose 2.1%. U.S. demand for Ontario-manufactured models remained strong as dealers continued to attract customers with financing and buying incentives.

Among other manufacturing industries, growth in primary metal and fabricated metal products was particularly robust (+3.0%) although this industry's output remains below the peak reached in early 2003.

The electrical and electronic products (+3.1%) and food, beverage and tobacco (+1.9%) industries also had strong second quarters.

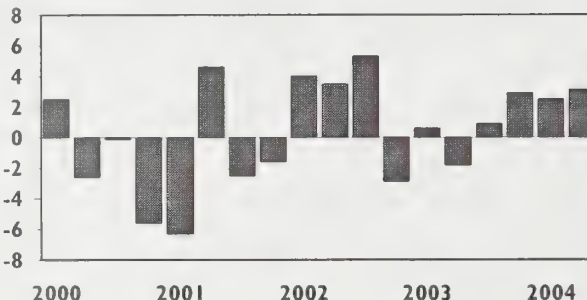
Manufacturing Up in Second Quarter

\$ 1997 Billions



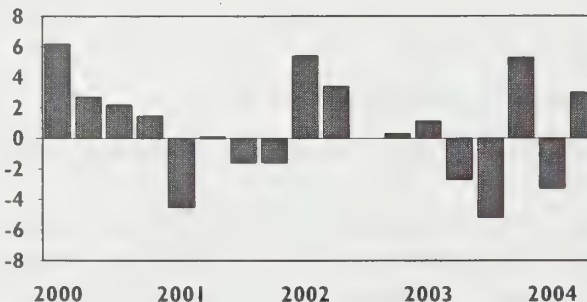
Auto Industry Maintains Growth

Per Cent Change



Metal Products Output Up

Per Cent Change

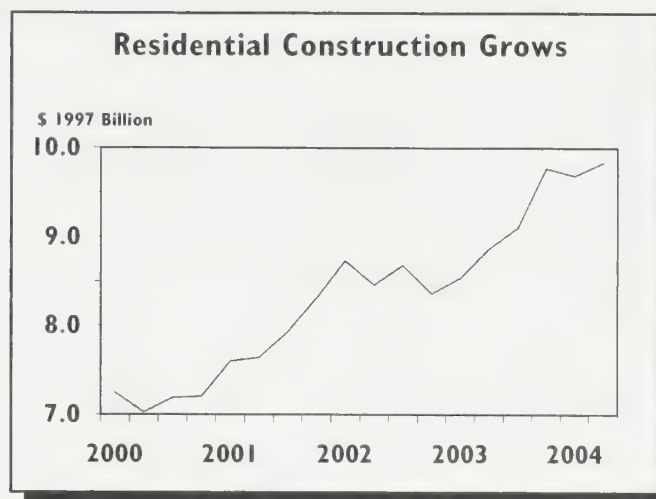


* The Ontario Economic Accounts include eleven manufacturing industries.

RESIDENTIAL CONSTRUCTION REMAINS STRONG

Residential construction rose 1.6% to \$9.8 billion, setting a new record level of activity for this industry. Output in the non-residential and engineering construction industries fell for a second consecutive quarter (-2.0%).

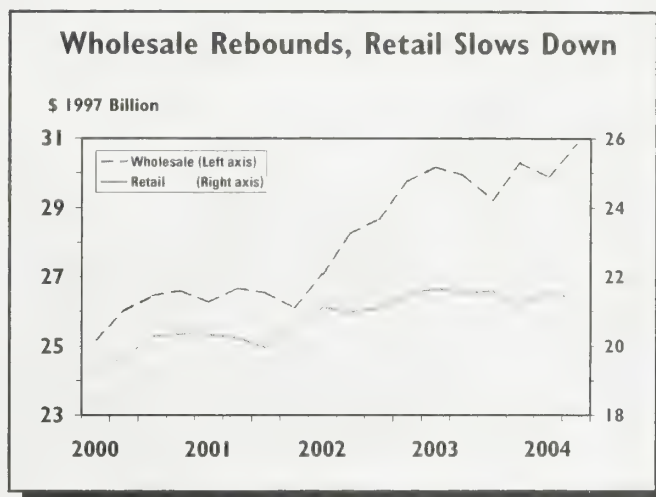
Total construction output fell slightly (-0.4%) in the second quarter, following a 1.2% decline in the first quarter.



WHOLESALE SECTOR GROWS WHILE RETAIL DECLINES

Wholesale activity rose 3.1% in the second quarter, more than recovering from a 1.3% decrease in the first quarter. Wholesalers of motor vehicles and parts, building supplies and machinery reported the most significant gains.

Retail output fell 0.5% in the second quarter, following an advance of 1.3% in the previous quarter. Increased activity in home and hardware stores and supermarkets was more than offset by lower sales at new car dealerships.

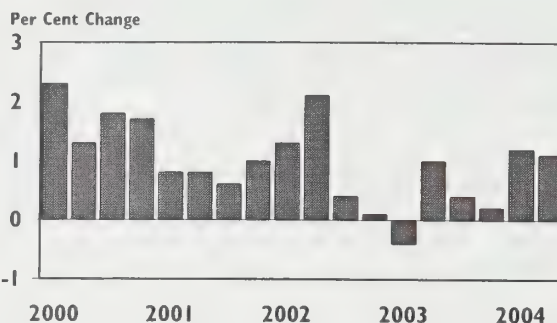


STRONG GROWTH IN SERVICE SECTOR CONTINUES

Activity in the finance, insurance and real estate sector increased 1.1% in the second quarter, following a similar rate of growth (+1.2%) in the first quarter. The real estate sector was a key contributor to growth as the number of home resales jumped 7.3%, passing the 50,000 transactions mark for the first time.

The information and culture sector (which includes telecommunications) also experienced healthy growth in the second quarter, advancing by 2.2%, the best quarterly performance since 2001. Internet service providers experienced especially rapid growth.

Finance, Insurance and Real Estate Up

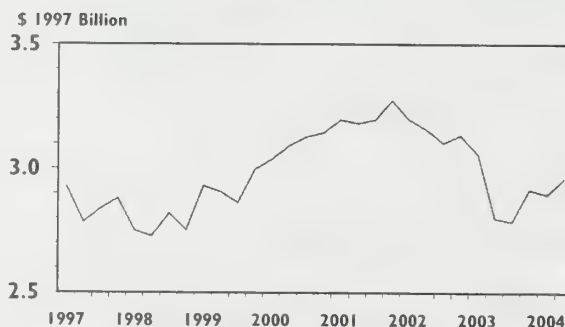


RESOURCES AND UTILITIES

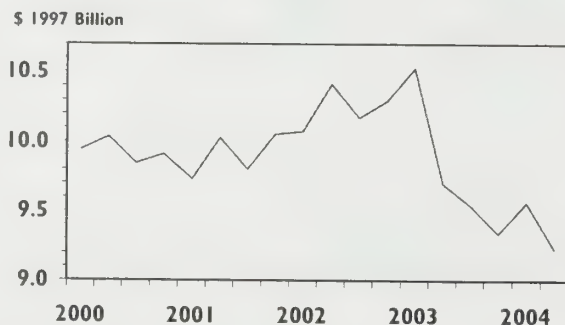
Mining output rose in the second quarter (+2.2%) following labour disruptions which curbed production in the first quarter.

Utilities output fell 3.5% as demand for energy declined following unseasonably cold weather in the first quarter. Production fell in both the electric power (-3.6%) and natural gas (-3.0%) sectors.

Mining Improves in Second Quarter



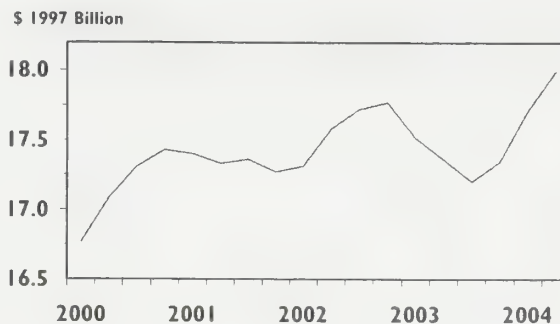
Utilities Output Declines



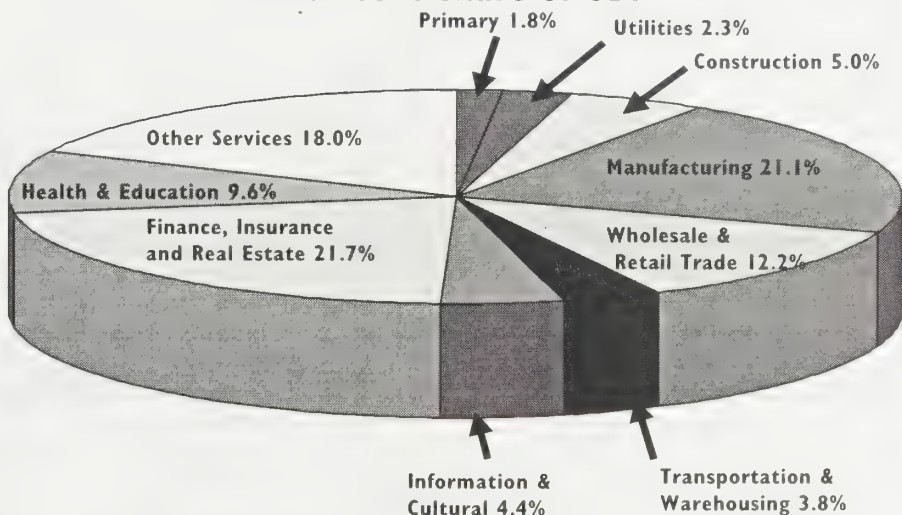
EDUCATION AND HEALTH CARE

Education services output rose 1.6% in the second quarter while the health care and social services sector also advanced (+0.3%), growing for the sixth consecutive quarter.

Education Activity Up



Structure of the Ontario Economy, 2003 Per Cent Share of GDP



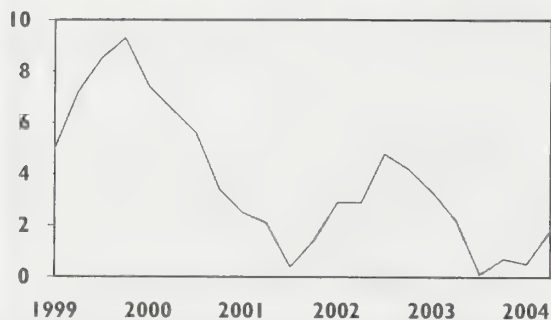
Source: Statistics Canada, Provincial GDP by Industry

ONTARIO ECONOMIC ACCOUNTS: SUMMARY CHARTS

(1999:1 - 2004:2)

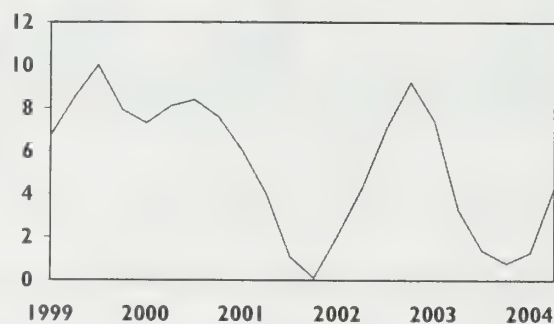
Gross Domestic Product (Chained \$ 1997)

Per Cent Change, Year-Over-Year



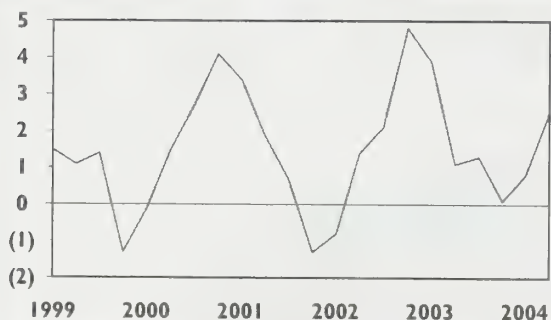
Gross Domestic Product (\$ Current)

Per Cent Change, Year-Over-Year



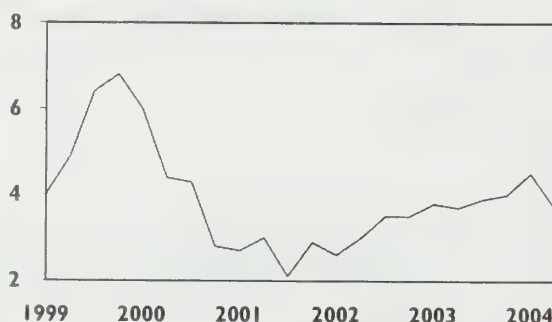
GDP Deflator (1997 = 100)

Per Cent Change, Year-Over-Year



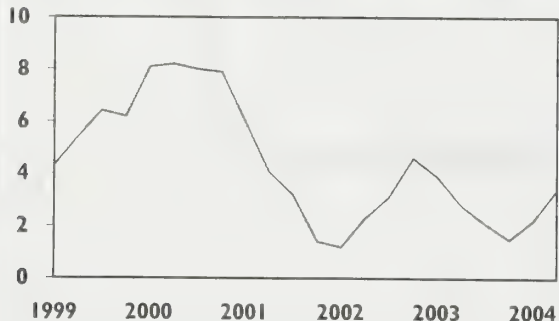
Final Domestic Demand (Chained \$ 1997)

Per Cent Change, Year-Over-Year



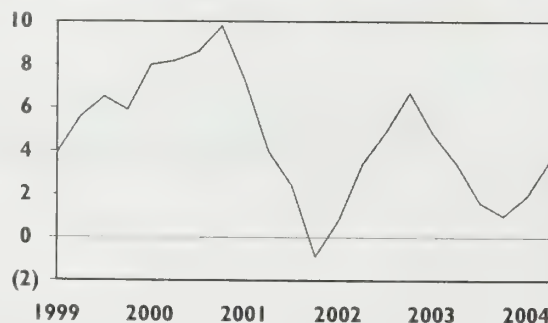
Personal Income (\$ Current)

Per Cent Change, Year-Over-Year

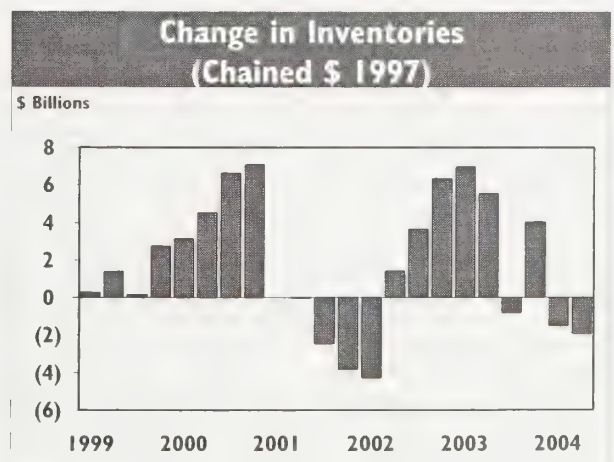
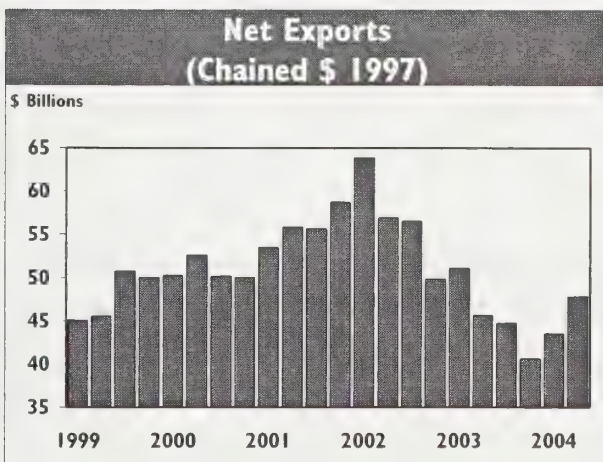
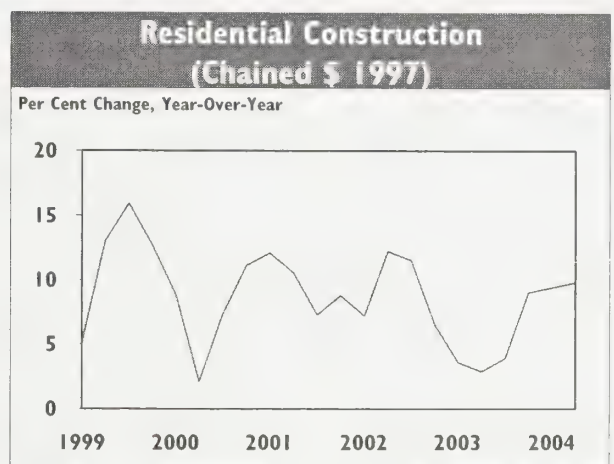
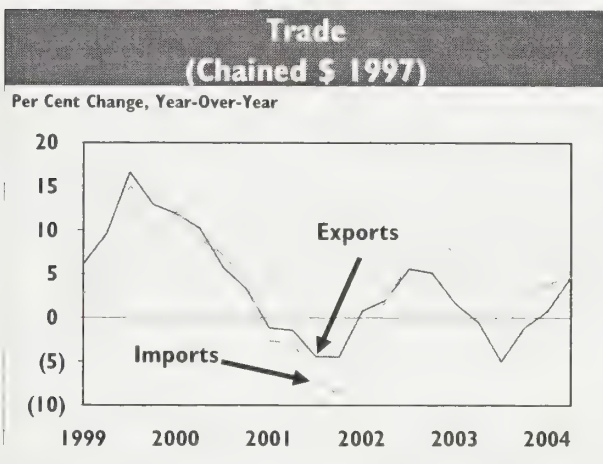
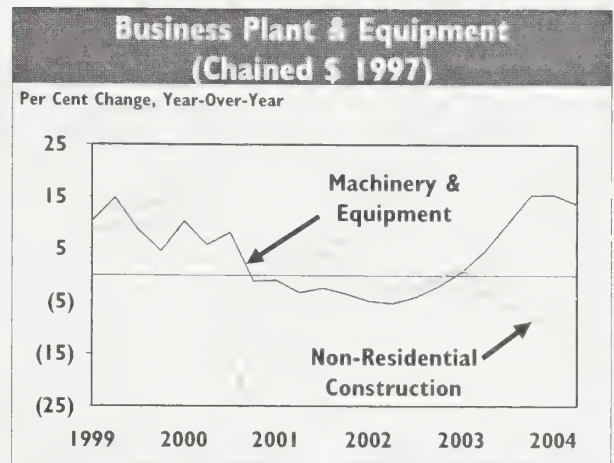
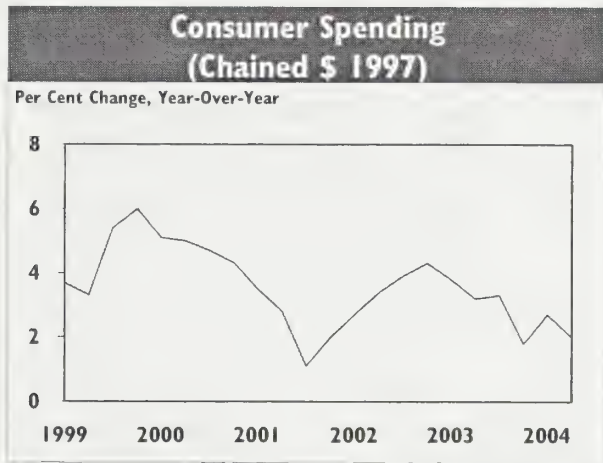


Personal Disposable Income (\$ Current)

Per Cent Change, Year-Over-Year



ONTARIO ECONOMIC ACCOUNTS: SUMMARY CHARTS (1999:1 - 2004:2)



LIST OF TABLES

INCOME AND EXPENDITURE DATA

Quarterly Data, 2001:1–2004:2

Table 1: Ontario Gross Domestic Product (Income-Based)	16
Table 2: Ontario Gross Domestic Product (Expenditure-Based)	18
Table 3: Ontario Gross Domestic Product at Chained 1997 Prices	20
Table 4: Sources and Disposition of Ontario Personal Income	22
Table 5: Ontario Trade	24
Table 6: Ontario Deflators	26

Annual Data, 2000–2003

Table 7: Ontario Gross Domestic Product (Income-Based)	28
Table 8: Ontario Gross Domestic Product (Expenditure-Based)	29
Table 9: Ontario Gross Domestic Product at Chained 1997 Prices	30
Table 10: Sources and Disposition of Ontario Personal Income	31
Table 11: Ontario Trade	32
Table 12: Ontario Deflators	33

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

Table 13: Quarterly Data, 2001:1-2004:2	34
Table 14: Annual Data, 2000-2003	38

Historical tables, both annual and quarterly, from 1981 are available on request by e-mailing Macroeconomics@fin.gov.on.ca

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted data at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Wages, salaries and supplementary labour income (domestic basis)	241,205 0.9	242,940 0.7	243,732 0.3	243,876 0.1	246,749 1.2	249,887 1.3	252,902 1.2	255,358 1.0
2. Corporation profits before taxes	54,274 -7.5	53,304 -1.8	45,103 -15.4	39,989 -11.3	49,122 22.8	55,921 13.8	62,773 12.3	66,289 5.6
3. Interest and miscellaneous investment income	18,240 6.5	17,597 -3.5	16,548 -6.0	16,512 -0.2	16,582 0.4	16,678 0.6	17,141 2.8	17,538 2.3
4. Accrued net income of farm operators from farm production	233 100.9	294 26.2	374 27.2	218 -41.7	225 3.2	160 -28.9	263 64.4	478 81.7
5. Net income of non-farm unincorporated business, including rent	28,179 -1.4	28,761 2.1	29,411 2.3	30,164 2.6	30,823 2.2	31,574 2.4	32,029 1.4	32,351 1.0
6. Inventory valuation adjustment	-335	196	626	483	-1,570	-1,072	-1,920	-940
7. Indirect taxes less subsidies	56,506 -2.4	58,733 3.9	60,836 3.6	61,776 1.5	62,487 1.2	62,985 0.8	62,741 -0.4	61,701 -1.7
8. Capital consumption allowances	55,706 5.2	54,707 -1.8	54,748 0.1	55,121 0.7	55,788 1.2	58,558 5.0	58,313 -0.4	60,062 3.0
9. Statistical discrepancy	-1,165	268	1,577	2,798	2,315	1,912	665	-379
10. Gross Domestic Product at market prices	452,843 0.5	456,800 0.9	452,955 -0.8	450,937 -0.4	462,521 2.6	476,603 3.0	484,907 1.7	492,458 1.6
	* 2.0	* 3.5	* -3.3	* -1.8	* 10.7	* 12.7	* 7.2	* 6.4

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted data at annual rates, millions of dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Wages, salaries and supplementary labour income (domestic basis)	257,333 0.8	257,635 0.1	258,479 0.3	260,986 1.0	263,790 1.1	266,916 1.2	- -	- -
2. Corporation profits before taxes	64,789 -2.3	57,983 -10.5	57,330 -1.1	57,589 0.5	61,356 6.5	64,938 5.8	- -	- -
3. Interest and miscellaneous investment income	17,204 -1.9	16,724 -2.8	16,861 0.8	16,116 -4.4	17,084 6.0	18,012 5.4	- -	- -
4. Accrued net income of farm operators from farm production	201 -57.9	126 -37.3	29 -77.0	41 41.4	224 446.3	218 -2.7	- -	- -
5. Net income of non-farm unincorporated business, including rent	32,590 0.7	32,939 1.1	33,347 1.2	33,669 1.0	33,998 1.0	34,590 1.7	- -	- -
6. Inventory valuation adjustment	1,623	5,069	1,422	1,472	-1,644	-2,327	-	-
7. Indirect taxes less subsidies	61,569 -0.2	61,442 -0.2	62,688 2.0	63,779 1.7	64,578 1.3	66,283 2.6	- -	- -
8. Capital consumption allowances	60,567 0.8	60,945 0.6	61,236 0.5	61,684 0.7	62,526 1.4	63,552 1.6	- -	- -
9. Statistical discrepancy	678	-579	113	1,237	1,005	1,272	-	-
10. Gross Domestic Product at market prices	496,555 0.8	492,284 -0.9	491,505 -0.2	496,573 1.0	502,917 1.3	513,454 2.1	- -	- -
	* 3.4	* -3.4	* -0.6	* 4.2	* 5.2	* 8.6	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted data at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	247,118 0.8	250,215 1.3	250,332 0.0	252,817 1.0	257,053 1.7	261,607 1.8	265,907 1.6	270,707 1.8
2. Durable goods	33,934 3.3	33,858 -0.2	33,690 -0.5	36,081 7.1	36,592 1.4	36,780 0.5	36,878 0.3	37,592 1.9
3. Semi-durable goods	22,177 0.2	22,561 1.7	22,143 -1.9	22,694 2.5	23,341 2.9	23,355 0.1	23,276 -0.3	23,475 0.9
4. Non-durable goods	54,394 -1.1	56,233 3.4	55,914 -0.6	54,869 -1.9	56,232 2.5	56,825 1.1	58,995 3.8	60,751 3.0
5. Services	136,613 1.0	137,563 0.7	138,585 0.7	139,174 0.4	140,888 1.2	144,647 2.7	146,758 1.5	148,888 1.5
6. Government expenditure on goods and services:	85,359 1.5	87,115 2.1	88,834 2.0	90,785 2.2	91,083 0.3	92,986 2.1	94,911 2.1	96,668 1.9
7. Current expenditure	75,012 1.0	76,599 2.1	78,216 2.1	79,571 1.7	79,632 0.1	81,417 2.2	83,136 2.1	84,824 2.0
8. Capital expenditure	10,347 5.1	10,515 1.6	10,618 1.0	11,214 5.6	11,452 2.1	11,569 1.0	11,775 1.8	11,844 0.6
9. Business gross fixed capital formation:	70,095 2.2	70,585 0.7	70,995 0.6	70,500 -0.7	71,579 1.5	72,836 1.8	73,796 1.3	73,833 0.1
10. Residential structures	24,020 2.5	23,897 -0.5	24,717 3.4	26,239 6.2	26,928 2.6	28,009 4.0	28,804 2.8	29,478 2.3
11. Non-residential structures	10,847 4.7	11,219 3.4	11,198 -0.2	10,967 -2.1	10,888 -0.7	11,111 2.1	11,278 1.5	11,438 1.4
12. Machinery and equipment	35,228 1.3	35,468 0.7	35,081 -1.1	33,294 -5.1	33,763 1.4	33,716 -0.1	33,714 -0.0	32,918 -2.4
13. Exports of goods and services	319,668 -2.9	321,491 0.6	312,802 -2.7	307,140 -1.8	318,268 3.6	324,962 2.1	334,698 3.0	331,649 -0.9
14. DEDUCT: Imports of goods and services	271,886 -3.8	271,287 -0.2	265,054 -2.3	258,150 -2.6	264,353 2.4	276,427 4.6	286,375 3.6	288,715 0.8
15. Value of physical change in inventories:	1,323	-1,050	-3,377	-9,357	-8,795	2,552	2,633	7,938
16. Non-farm	1,205	-955	-3,208	-9,259	-8,907	2,184	2,959	7,125
17. Farm	94	-103	-162	-89	176	316	-235	766
18. Government	24	8	-7	-9	-64	52	-91	46
19. Statistical discrepancy	1,165	-268	-1,577	-2,798	-2,315	-1,912	-665	379
20. Gross Domestic Product at market prices	452,843 0.5 2.0	456,800 0.9 3.5	452,955 -0.8 -3.3	450,937 -0.4 -1.8	462,521 2.6 10.7	476,603 3.0 12.7	484,907 1.7 7.2	492,458 1.6 6.4
21. Final domestic demand	402,573 1.2	407,915 1.3	410,161 0.6	414,102 1.0	419,716 1.4	427,429 1.8	434,614 1.7	441,208 1.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted data at annual rates, millions of dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Personal expenditure on consumer goods and services:	273,996 1.2	274,143 0.1	278,238 1.5	277,534 -0.3	282,786 1.9	284,374 0.6	-	-
2. Durable goods	37,269 -0.9	37,228 -0.1	37,922 1.9	35,456 -6.5	35,383 -0.2	34,644 -2.1	-	-
3. Semi-durable goods	23,551 0.3	23,542 -0.0	23,772 1.0	23,255 -2.2	23,939 2.9	24,044 0.4	-	-
4. Non-durable goods	62,706 3.2	61,108 -2.5	62,037 1.5	62,484 0.7	64,170 2.7	65,033 1.3	-	-
5. Services	150,469 1.1	152,266 1.2	154,507 1.5	156,340 1.2	159,293 1.9	160,653 0.9	-	-
6. Government expenditure on goods and services:	98,386 1.8	99,969 1.6	101,770 1.8	104,455 2.6	106,175 1.6	107,724 1.5	-	-
7. Current expenditure	85,396 0.7	86,993 1.9	88,750 2.0	91,367 2.9	92,632 1.4	94,133 1.6	-	-
8. Capital expenditure	12,989 9.7	12,976 -0.1	13,020 0.3	13,088 0.5	13,542 3.5	13,591 0.4	-	-
9. Business gross fixed capital formation:	73,913 0.1	74,032 0.2	76,977 4.0	78,669 2.2	79,512 1.1	82,594 3.9	-	-
10. Residential structures	29,121 -1.2	29,978 2.9	31,604 5.4	33,503 6.0	33,154 -1.0	34,825 5.0	-	-
11. Non-residential structures	11,494 0.5	11,096 -3.5	10,868 -2.1	10,599 -2.5	10,799 1.9	11,052 2.3	-	-
12. Machinery and equipment	33,298 1.2	32,958 -1.0	34,505 4.7	34,566 0.2	35,559 2.9	36,717 3.3	-	-
13. Exports of goods and services	325,428 -1.9	309,556 -4.9	301,030 -2.8	305,062 1.3	312,428 2.4	332,788 6.5	-	-
14. DEDUCT: Imports of goods and services	282,410 -2.2	271,630 -3.8	263,869 -2.9	270,596 2.5	275,916 2.0	291,725 5.7	-	-
15. Value of physical change in inventories:	7,920	5,636	-2,528	2,687	-1,062	-1,030	-	-
16. Non-farm	8,165	5,736	-3,023	1,897	-1,808	-1,590	-	-
17. Farm	-263	-88	491	780	623	526	-	-
18. Government	18	-13	4	10	123	34	-	-
19. Statistical discrepancy	-678	579	-113	-1,237	-1,005	-1,272	-	-
20. Gross Domestic Product at market prices	496,555 0.8 3.4	492,284 -0.9 -3.4	491,505 -0.2 -0.6	496,573 1.0 4.2	502,917 1.3 5.2	513,454 2.1 8.6	-	-
21. Final domestic demand	446,295 1.2	448,144 0.4	456,985 2.0	460,658 0.8	468,473 1.7	474,692 1.3	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 3

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	230,605 0.3	231,778 0.5	231,959 0.1	234,359 1.0	236,873 1.1	239,606 1.2	241,105 0.6	244,423 1.4
2. Durable goods	34,205 3.6	34,191 -0.0	33,986 -0.6	36,601 7.7	37,137 1.5	37,159 0.1	37,334 0.5	38,127 2.1
3. Semi-durable goods	20,646 -0.5	21,367 3.5	21,191 -0.8	21,684 2.3	22,448 3.5	22,059 -1.7	21,823 -1.1	22,068 1.1
4. Non-durable goods	48,402 -2.6	48,450 0.1	48,523 0.2	47,995 -1.1	48,746 1.6	48,855 0.2	49,328 1.0	50,661 2.7
5. Services	127,460 0.8	127,868 0.3	128,349 0.4	128,180 -0.1	128,665 0.4	131,633 2.3	132,722 0.8	133,681 0.7
6. Government expenditure on goods and services:	79,978 0.9	81,773 2.2	82,518 0.9	83,849 1.6	83,393 -0.5	84,702 1.6	85,542 1.0	86,488 1.1
7. Current expenditure	69,858 0.3	71,490 2.3	72,076 0.8	72,845 1.1	72,264 -0.8	73,428 1.6	74,172 1.0	75,017 1.1
8. Capital expenditure	10,101 5.8	10,262 1.6	10,424 1.6	11,011 5.6	11,151 1.3	11,293 1.3	11,389 0.8	11,488 0.9
9. Business gross fixed capital formation:	67,162 2.2	66,874 -0.4	67,688 1.2	67,335 -0.5	67,116 -0.3	67,587 0.7	68,697 1.6	68,265 -0.6
10. Residential structures	21,803 2.0	21,371 -2.0	22,089 3.4	23,257 5.3	23,372 0.5	23,983 2.6	24,630 2.7	24,764 0.5
11. Non-residential structures	9,647 6.3	9,930 2.9	9,986 0.6	9,771 -2.2	9,548 -2.3	9,649 1.1	9,681 0.3	9,727 0.5
12. Machinery and equipment	35,718 1.1	35,575 -0.4	35,565 -0.0	34,097 -4.1	33,985 -0.3	33,663 -0.9	34,068 1.2	33,382 -2.0
13. Exports of goods and services	304,237 -3.1	306,051 0.6	301,893 -1.4	299,610 -0.8	306,720 2.4	312,184 1.8	318,823 2.1	314,867 -1.2
14. DEDUCT: Imports of goods and services	250,698 -5.0	250,164 -0.2	246,205 -1.6	240,857 -2.2	242,816 0.8	255,266 5.1	262,262 2.7	265,046 1.1
15. Value of physical change in inventories:	-109	-70	-2,562	-3,698	-4,144	1,777	3,361	7,067
16. Non-farm	18	-22	-2,475	-3,833	-4,281	1,416	3,664	6,337
17. Farm	-139	-59	-137	95	129	253	-259	642
18. Government	24	8	-7	-9	-61	51	-84	46
19. Statistical discrepancy	1,112	-256	-1,510	-2,716	-2,226	-1,800	-623	351
20. Gross Domestic Product at market prices	432,163 0.1 0.5	435,899 0.9 3.5	433,683 -0.5 -2.0	437,748 0.9 3.8	444,846 1.6 6.6	448,687 0.9 3.5	454,565 1.3 5.3	456,339 0.4 1.6
21. Final domestic demand	377,691 0.8	380,379 0.7	382,102 0.5	385,507 0.9	387,354 0.5	391,874 1.2	395,314 0.9	399,173 1.0

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 3***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Personal expenditure on consumer goods and services:	245,758 0.5	247,245 0.6	249,086 0.7	248,929 -0.1	252,499 1.4	252,243 -0.1	-	-
2. Durable goods	37,692 -1.1	37,758 0.2	38,746 2.6	36,432 -6.0	36,557 0.3	35,751 -2.2	-	-
3. Semi-durable goods	22,301 1.1	22,444 0.6	22,689 1.1	22,082 -2.7	22,758 3.1	22,901 0.6	-	-
4. Non-durable goods	50,818 0.3	50,550 -0.5	50,026 -1.0	51,051 2.0	51,822 1.5	51,750 -0.1	-	-
5. Services	135,055 1.0	136,597 1.1	137,728 0.8	139,441 1.2	141,443 1.4	141,915 0.3	-	-
6. Government expenditure on goods and services:	87,983 1.7	89,768 2.0	89,693 -0.1	91,854 2.4	93,113 1.4	93,540 0.5	-	-
7. Current expenditure	75,727 0.9	77,213 2.0	77,010 -0.3	78,901 2.5	79,846 1.2	80,450 0.8	-	-
8. Capital expenditure	12,322 7.3	12,626 2.5	12,769 1.1	13,036 2.1	13,372 2.6	13,162 -1.6	-	-
9. Business gross fixed capital formation:	68,378 0.2	69,426 1.5	72,154 3.9	74,420 3.1	74,765 0.5	75,923 1.5	-	-
10. Residential structures	24,208 -2.2	24,674 1.9	25,597 3.7	26,992 5.4	26,494 -1.8	27,086 2.2	-	-
11. Non-residential structures	9,694 -0.3	9,381 -3.2	9,136 -2.6	8,870 -2.9	8,928 0.7	8,998 0.8	-	-
12. Machinery and equipment	34,226 2.5	35,201 2.9	37,431 6.3	38,527 2.9	39,547 2.6	39,997 1.1	-	-
13. Exports of goods and services	311,633 -1.0	310,661 -0.3	302,847 -2.5	311,285 2.8	314,266 1.0	325,180 3.5	-	-
14. DEDUCT: Imports of goods and services	260,555 -1.7	265,040 1.7	258,106 -2.6	270,635 4.9	270,710 0.0	277,405 2.5	-	-
15. Value of physical change in inventories:	7,087	5,875	-353	5,118	-757	-1,424	-	-
16. Non-farm	6,974	5,554	-801	4,011	-1,502	-1,931	-	-
17. Farm	-44	184	451	967	622	477	-	-
18. Government	18	-13	4	10	123	31	-	-
19. Statistical discrepancy	-628	539	-104	-1,145	-923	-1,156	-	-
20. Gross Domestic Product at market prices	459,576 0.7 2.9	458,394 -0.3 -1.0	454,967 -0.7 -3.0	459,485 1.0 4.0	461,852 0.5 2.1	466,660 1.0 4.2	-	-
21. Final domestic demand	402,131 0.7	406,445 1.1	410,847 1.1	415,063 1.0	420,268 1.3	421,560 0.3	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

		2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1.	Wages, salaries and supplementary labour income (national basis)	238,569 1.0	240,191 0.7	240,897 0.3	239,828 -0.4	243,665 1.6	247,326 1.5	250,883 1.4	253,719 1.1
2.	Net income of farm operators from farm production	233 100.9	294 26.2	374 27.2	218 -41.7	225 3.2	160 -28.9	263 64.4	478 81.7
3.	Net income of non-farm unincorporated business, including rent	28,179 -1.4	28,761 2.1	29,411 2.3	30,164 2.6	30,823 2.2	31,574 2.4	32,029 1.4	32,351 1.0
4.	Interest, dividends and miscellaneous investment income	47,789 -1.3	47,229 -1.2	46,483 -1.6	45,300 -2.5	44,547 -1.7	44,392 -0.3	43,892 -1.1	43,337 -1.3
5.	Current transfers from government, corporations and non-residents	45,021 8.3	43,464 -3.5	44,077 1.4	44,352 0.6	44,978 1.4	44,836 -0.3	45,335 1.1	46,545 2.7
6.	Equals: Personal income	359,791 1.3	359,939 0.0	361,242 0.4	359,862 -0.4	364,238 1.2	368,288 1.1	372,402 1.1	376,430 1.1
7.	Deduct: Personal direct taxes	60,492 3.5	62,441 3.2	63,309 1.4	63,477 0.3	61,069 -3.8	59,853 -2.0	59,554 -0.5	60,490 1.6
8.	Other current transfers to government	23,588 4.3	24,015 1.8	24,443 1.8	24,846 1.6	25,180 1.3	25,675 2.0	25,974 1.2	26,325 1.4
9.	Equals: Personal disposable income	275,711 0.6	273,483 -0.8	273,490 0.0	271,539 -0.7	277,989 2.4	282,760 1.7	286,874 1.5	289,615 1.0
10.	Deduct: Personal expenditure on consumer goods and services	247,118 0.8	250,215 1.3	250,332 0.0	252,817 1.0	257,053 1.7	261,607 1.8	265,907 1.6	270,707 1.8
11.	Current transfers to corporations	4,981 -2.6	5,217 4.7	4,933 -5.4	4,761 -3.5	4,588 -3.6	4,477 -2.4	4,699 5.0	4,899 4.3
12.	Current transfers to non-residents	794 10.3	725 -8.7	845 16.6	868 2.7	949 9.3	893 -5.9	970 8.6	971 0.1
13.	Equals: Personal saving	22,818 -0.5	17,326 -24.1	17,380 0.3	13,093 -24.7	15,399 17.6	15,783 2.5	15,298 -3.1	13,038 -14.8
14.	Personal saving rate (percent)	8.3	6.3	6.4	4.8	5.5	5.6	5.3	4.5
15.	Real personal disposable income * (millions of chained (1997) dollars)	257,287 0.2	253,332 -1.5	253,417 0.0	251,713 -0.7	256,165 1.8	258,981 1.1	260,116 0.4	261,495 0.5
16.	Population (thousands)	11,774 0.2	11,828 0.5	11,898 0.6	11,963 0.5	11,982 0.2	12,032 0.4	12,097 0.5	12,145 0.4
17.	Personal disposable income per capita (dollars)	23,416 0.4	23,121 -1.3	22,987 -0.6	22,698 -1.3	23,200 2.2	23,500 1.3	23,715 0.9	23,846 0.6
18.	Real personal disposable income per capita (chained (1997) dollars)	21,852 -0.0	21,417 -2.0	21,300 -0.5	21,041 -1.2	21,379 1.6	21,524 0.7	21,503 -0.1	21,530 0.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Wages, salaries and supplementary labour income (national basis)	255,198 0.6	255,142 -0.0	255,681 0.2	258,145 1.0	260,918 1.1	264,010 1.2	- -	- -
2. Net income of farm operators from farm production	201 -57.9	126 -37.3	29 -77.0	41 41.4	224 446.3	218 -2.7	- -	- -
3. Net income of non-farm unincorporated business, including rent	32,590 0.7	32,939 1.1	33,347 1.2	33,669 1.0	33,998 1.0	34,590 1.7	- -	- -
4. Interest, dividends and miscellaneous investment income	43,617 0.6	43,496 -0.3	43,981 1.1	43,111 -2.0	43,803 1.6	44,493 1.6	- -	- -
5. Current transfers from government, corporations and non-residents	46,749 0.4	46,892 0.3	47,037 0.3	46,957 -0.2	47,734 1.7	48,072 0.7	- -	- -
6. Equals: Personal income	378,355 0.5	378,595 0.1	380,075 0.4	381,923 0.5	386,677 1.2	391,383 1.2	- -	- -
7. Deduct: Personal direct taxes	60,553 0.1	59,486 -1.8	61,506 3.4	61,762 0.4	61,976 0.3	60,975 -1.6	- -	- -
8. Other current transfers to government	26,564 0.9	26,721 0.6	27,081 1.3	27,543 1.7	27,802 0.9	27,529 -1.0	- -	- -
9. Equals: Personal disposable income	291,238 0.6	292,388 0.4	291,488 -0.3	292,618 0.4	296,899 1.5	302,879 2.0	- -	- -
10. Deduct: Personal expenditure on consumer goods and services	273,996 1.2	274,143 0.1	278,238 1.5	277,534 -0.3	282,786 1.9	284,374 0.6	- -	- -
11. Current transfers to corporations	5,091 3.9	5,179 1.7	5,332 3.0	5,375 0.8	5,454 1.5	5,641 3.4	- -	- -
12. Current transfers to non-residents	1,025 5.6	967 -5.7	1,024 5.9	1,036 1.2	1,058 2.1	1,078 1.9	- -	- -
13. Equals: Personal saving	11,126 -14.7	12,099 8.7	6,894 -43.0	8,673 25.8	7,601 -12.4	11,786 55.1	- -	- -
14. Personal saving rate (percent)	3.8	4.1	2.4	3.0	2.6	3.9	-	-
15. Real personal disposable income * (millions of chained (1997) dollars)	261,223 -0.1	263,699 0.9	260,948 -1.0	262,458 0.6	265,100 1.0	268,657 1.3	- -	- -
16. Population (thousands)	12,157 0.1	12,193 0.3	12,238 0.4	12,281 0.3	12,294 0.1	12,333 0.3	- -	- -
17. Personal disposable income per capita (dollars)	23,957 0.5	23,979 0.1	23,818 -0.7	23,827 0.0	24,151 1.4	24,559 1.7	- -	- -
18. Real personal disposable income per capita (chained (1997) dollars)	21,488 -0.2	21,627 0.6	21,322 -1.4	21,372 0.2	21,564 0.9	21,784 1.0	- -	- -

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 5***Seasonally adjusted data at annual rates, millions of dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Exports of goods and services	319,668 -2.9	321,491 0.6	312,802 -2.7	307,140 -1.8	318,268 3.6	324,962 2.1	334,698 3.0	331,649 -0.9
2. Of which: International	234,239 -3.4	235,717 0.6	228,555 -3.0	226,354 -1.0	233,500 3.2	236,227 1.2	242,669 2.7	235,974 -2.8
3. Of which: Interprovincial	85,429 -1.3	85,773 0.4	84,247 -1.8	80,786 -4.1	84,768 4.9	88,735 4.7	92,029 3.7	95,675 4.0
4. Imports of goods and services	271,886 -3.8	271,287 -0.2	265,054 -2.3	258,150 -2.6	264,353 2.4	276,427 4.6	286,375 3.6	288,715 0.8
5. Trade balance	47,782	50,204	47,748	48,990	53,915	48,535	48,323	42,935

*Note: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO TRADE**TABLE 5***Seasonally adjusted data at annual rates, millions of dollars*

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Exports of goods and services	325,428 -1.9	309,556 -4.9	301,030 -2.8	305,062 1.3	312,428 2.4	332,788 6.5	- -	- -
2. Of which: International	231,283 -2.0	219,114 -5.3	212,657 -2.9	217,661 2.4	224,259 3.0	242,219 8.0	- -	- -
3. Of which: Interprovincial	94,145 -1.6	90,442 -3.9	88,374 -2.3	87,402 -1.1	88,169 0.9	90,569 2.7	- -	- -
4. Imports of goods and services	282,410 -2.2	271,630 -3.8	263,869 -2.9	270,596 2.5	275,916 2.0	291,725 5.7	- -	- -
5. Trade balance	43,018	37,926	37,161	34,466	36,511	41,063	-	-

*Note: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

Using seasonally adjusted data, chained (1997) dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	107.2 0.5	108.0 0.7	107.9 -0.0	107.9 -0.0	108.5 0.6	109.2 0.6	110.3 1.0	110.8 0.4
2. Durable goods	99.2 -0.3	99.0 -0.2	99.1 0.1	98.6 -0.6	98.5 -0.0	99.0 0.5	98.8 -0.2	98.6 -0.2
3. Semi-durable goods	107.4 0.7	105.6 -1.7	104.5 -1.0	104.7 0.2	104.0 -0.6	105.9 1.8	106.7 0.7	106.4 -0.3
4. Non-durable goods	112.4 1.5	116.1 3.3	115.2 -0.7	114.3 -0.8	115.4 0.9	116.3 0.8	119.6 2.8	119.9 0.3
5. Services	107.2 0.3	107.6 0.4	108.0 0.4	108.6 0.6	109.5 0.9	109.9 0.4	110.6 0.6	111.4 0.7
6. Government expenditure on goods and services:	106.7 0.6	106.5 -0.2	107.7 1.1	108.3 0.6	109.2 0.9	109.8 0.5	111.0 1.1	111.8 0.7
7. Current expenditure	107.4 0.8	107.1 -0.2	108.5 1.3	109.2 0.7	110.2 0.9	110.9 0.6	112.1 1.1	113.1 0.9
8. Capital expenditure	102.4 -0.7	102.5 0.0	101.9 -0.6	101.8 -0.0	102.7 0.8	102.4 -0.3	103.4 0.9	103.1 -0.3
9. Business gross fixed capital formation:	104.4 0.1	105.5 1.1	104.9 -0.6	104.7 -0.2	106.7 1.9	107.8 1.0	107.4 -0.3	108.2 0.7
10. Residential structures	110.2 0.5	111.8 1.5	111.9 0.1	112.8 0.8	115.2 2.1	116.8 1.4	116.9 0.1	119.0 1.8
11. Non-residential structures	112.4 -1.5	113.0 0.5	112.1 -0.8	112.2 0.1	114.0 1.6	115.2 1.0	116.5 1.2	117.6 0.9
12. Machinery and equipment	98.6 0.2	99.7 1.1	98.6 -1.1	97.6 -1.0	99.3 1.7	100.2 0.8	99.0 -1.2	98.6 -0.4
13. Exports of goods and services	105.1 0.2	105.0 -0.0	103.6 -1.4	102.5 -1.1	103.8 1.2	104.1 0.3	105.0 0.9	105.3 0.3
14. DEDUCT: Imports of goods and services	108.5 1.2	108.4 -0.0	107.7 -0.7	107.2 -0.4	108.9 1.6	108.3 -0.5	109.2 0.8	108.9 -0.2
15. Gross Domestic Product at market prices	104.8 0.4 1.5	104.8 0.0 0.0	104.4 -0.3 -1.3	103.0 -1.4 -5.4	104.0 0.9 3.8	106.2 2.2 8.9	106.7 0.4 1.7	107.9 1.2 4.7
16. Final domestic demand	106.6 0.4	107.2 0.6	107.3 0.1	107.4 0.1	108.4 0.9	109.1 0.7	109.9 0.8	110.5 0.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

Using seasonally adjusted data, chained (1997) dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Personal expenditure on consumer goods and services:	111.5 0.7	110.9 -0.5	111.7 0.7	111.5 -0.2	112.0 0.5	112.7 0.7	-	-
2. Durable goods	98.9 0.3	98.6 -0.3	97.9 -0.7	97.3 -0.6	96.8 -0.5	96.9 0.1	-	-
3. Semi-durable goods	105.6 -0.7	104.9 -0.7	104.8 -0.1	105.3 0.5	105.2 -0.1	105.0 -0.2	-	-
4. Non-durable goods	123.4 2.9	120.9 -2.0	124.0 2.6	122.4 -1.3	123.8 1.2	125.7 1.5	-	-
5. Services	111.4 0.0	111.5 0.1	112.2 0.6	112.1 -0.1	112.6 0.4	113.2 0.5	-	-
6. Government expenditure on goods and services:	111.8 0.0	111.4 -0.4	113.5 1.9	113.7 0.2	114.0 0.3	115.2 1.0	-	-
7. Current expenditure	112.8 -0.3	112.7 -0.1	115.2 2.3	115.8 0.5	116.0 0.2	117.0 0.9	-	-
8. Capital expenditure	105.4 2.3	102.8 -2.5	102.0 -0.8	100.4 -1.5	101.3 0.9	103.3 2.0	-	-
9. Business gross fixed capital formation:	108.1 -0.1	106.6 -1.4	106.7 0.0	105.7 -0.9	106.3 0.6	108.8 2.3	-	-
10. Residential structures	120.3 1.1	121.5 1.0	123.5 1.6	124.1 0.5	125.1 0.8	128.6 2.7	-	-
11. Non-residential structures	118.6 0.8	118.3 -0.2	119.0 0.6	119.5 0.5	121.0 1.2	122.8 1.5	-	-
12. Machinery and equipment	97.3 -1.3	93.6 -3.8	92.2 -1.5	89.7 -2.7	89.9 0.2	91.8 2.1	-	-
13. Exports of goods and services	104.4 -0.9	99.6 -4.6	99.4 -0.2	98.0 -1.4	99.4 1.4	102.3 2.9	-	-
14. DEDUCT: Imports of goods and services	108.4 -0.5	102.5 -5.4	102.2 -0.2	100.0 -2.2	101.9 1.9	105.2 3.2	-	-
15. Gross Domestic Product at market prices	108.0 0.1 0.5	107.4 -0.6 -2.4	108.0 0.6 2.4	108.1 0.0 0.2	108.9 0.8 3.1	110.0 1.0 4.2	-	-
16. Final domestic demand	111.0 0.4	110.3 -0.7	111.2 0.9	111.0 -0.2	111.5 0.4	112.6 1.0	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 7

Millions of dollars

	2000	2001	2002	2003
1. Wages, salaries and supplementary labour income (domestic basis)	233,876 9.0	242,938 3.9	251,224 3.4	258,608 2.9
2. Corporation profits before taxes	54,956 10.5	48,168 -12.4	58,526 21.5	59,423 1.5
3. Interest and miscellaneous investment income	18,047 6.6	17,224 -4.6	16,985 -1.4	16,726 -1.5
4. Accrued net income of farm operators from farm production	177 -23.8	280 58.3	282 0.6	99 -64.7
5. Net income of non-farm unincorporated business, including rent	27,572 7.9	29,129 5.6	31,694 8.8	33,136 4.5
6. Inventory valuation adjustment	-871	243	-1,376	2,397
7. Indirect taxes less subsidies	57,151 4.0	59,463 4.0	62,479 5.1	62,370 -0.2
8. Capital consumption allowances	51,357 6.6	55,071 7.2	58,180 5.6	61,108 5.0
9. Statistical discrepancy	-1,060	869	1,128	362
10. Gross Domestic Product at market prices	441,204 7.9	453,384 2.8	479,122 5.7	494,229 3.2

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 8

Millions of dollars

	2000	2001	2002	2003
1. Personal expenditure on consumer goods and services:	239,512 7.1	250,121 4.4	263,818 5.5	275,978 4.6
2. Durable goods	33,233 6.6	34,391 3.5	36,961 7.5	36,969 0.0
3. Semi-durable goods	21,290 6.4	22,394 5.2	23,362 4.3	23,530 0.7
4. Non-durable goods	53,154 8.4	55,352 4.1	58,201 5.1	62,084 6.7
5. Services	131,835 6.9	137,984 4.7	145,295 5.3	153,396 5.6
6. Government expenditure on goods and services:	82,678 8.1	88,023 6.5	93,912 6.7	101,145 7.7
7. Current expenditure	73,096 8.0	77,350 5.8	82,252 6.3	88,127 7.1
8. Capital expenditure	9,581 8.7	10,674 11.4	11,660 9.2	13,018 11.6
9. Business gross fixed capital formation:	68,419 4.8	70,544 3.1	73,011 3.5	75,898 4.0
10. Residential structures	21,854 10.7	24,718 13.1	28,305 14.5	31,052 9.7
11. Non-residential structures	11,256 -4.8	11,058 -1.8	11,179 1.1	11,014 -1.5
12. Machinery and equipment	35,309 4.6	34,768 -1.5	33,527 -3.6	33,832 0.9
13. Exports of goods and services	321,009 9.8	315,275 -1.8	327,394 3.8	310,269 -5.2
14. DEDUCT: Imports of goods and services	275,418 10.6	266,594 -3.2	278,967 4.6	272,127 -2.5
15. Value of physical change in inventories:	3,944	-3,116	1,082	3,429
16. Non-farm	4,016	-3,054	840	3,194
17. Farm	-79	-65	256	230
18. Government	7	4	-14	5
19. Statistical discrepancy	1,060	-869	-1,128	-362
20. Gross Domestic Product at market prices	441,204 7.9	453,384 2.8	479,122 5.7	494,229 3.2
21. Final domestic demand	390,608 6.9	408,688 4.6	430,742 5.4	453,020 5.2

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 9

Millions of chained (1997) dollars

	2000	2001	2002	2003
1. Personal expenditure on consumer goods and services:	226,890 4.7	232,175 2.3	240,502 3.6	247,754 3.0
2. Durable goods	33,386 7.4	34,746 4.1	37,440 7.8	37,657 0.6
3. Semi-durable goods	20,271 4.3	21,222 4.7	22,100 4.1	22,379 1.3
4. Non-durable goods	48,994 3.5	48,343 -1.3	49,398 2.2	50,611 2.5
5. Services	124,340 4.6	127,964 2.9	131,675 2.9	137,205 4.2
6. Government expenditure on goods and services:	78,191 4.1	82,030 4.9	85,031 3.7	89,824 5.6
7. Current expenditure	68,736 3.9	71,567 4.1	73,720 3.0	77,213 4.7
8. Capital expenditure	9,417 5.8	10,449 11.0	11,330 8.4	12,688 12.0
9. Business gross fixed capital formation:	66,444 3.3	67,265 1.2	67,916 1.0	71,095 4.7
10. Residential structures	20,183 7.3	22,130 9.6	24,187 9.3	25,368 4.9
11. Non-residential structures	10,187 -10.0	9,833 -3.5	9,651 -1.8	9,270 -4.0
12. Machinery and equipment	36,147 5.7	35,239 -2.5	33,775 -4.2	36,346 7.6
13. Exports of goods and services	311,952 7.6	302,948 -2.9	313,148 3.4	309,107 -1.3
14. DEDUCT: Imports of goods and services	261,183 8.0	246,981 -5.4	256,348 3.8	263,584 2.8
15. Value of physical change in inventories:	4,842	-1,610	2,015	4,432
16. Non-farm	5,350	-1,578	1,784	3,935
17. Farm	-546	-60	191	389
18. Government	7	4	-12	5
19. Statistical discrepancy	1,025	-842	-1,075	-335
20. Gross Domestic Product at market prices	428,071 5.7	434,873 1.6	451,109 3.7	458,105 1.6
21. Final domestic demand	371,459 4.3	381,420 2.7	393,429 3.1	408,622 3.9

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 10

Millions of dollars

	2000	2001	2002	2003
1. Wages, salaries and supplementary labour income (national basis)	230,713 8.9	239,871 4.0	248,898 3.8	256,042 2.9
2. Net income of farm operators from farm production	177 -23.8	280 58.3	282 0.6	99 -64.7
3. Net income of non-farm unincorporated business, including rent	27,572 7.9	29,129 5.6	31,694 8.8	33,136 4.5
4. Interest, dividends and miscellaneous investment income	47,501 6.6	46,700 -1.7	44,042 -5.7	43,551 -1.1
5. Current transfers from government, corporations and non-residents	41,629 5.2	44,229 6.2	45,424 2.7	46,909 3.3
6. Equals: Personal income	347,592 8.0	360,209 3.6	370,340 2.8	379,737 2.5
7. Deduct: Personal direct taxes	59,869 5.1	62,430 4.3	60,242 -3.5	60,827 1.0
8. Other current transfers to government	22,429 8.9	24,223 8.0	25,789 6.5	26,977 4.6
9. Equals: Personal disposable income	265,294 8.7	273,556 3.1	284,310 3.9	291,933 2.7
10. Deduct: Personal expenditure on consumer goods and services	239,512 7.1	250,121 4.4	263,818 5.5	275,978 4.6
11. Current transfers to corporations	4,777 17.0	4,973 4.1	4,666 -6.2	5,244 12.4
12. Current transfers to non-residents	724 11.3	808 11.6	946 17.0	1,013 7.1
13. Equals: Personal saving	20,281 28.0	17,654 -13.0	14,880 -15.7	9,698 -34.8
14. Personal saving rate (percent)	7.6	6.4	5.2	3.3
15. Real personal disposable income * (millions of chained (1997) dollars)	251,309 6.2	253,937 1.0	259,189 2.1	262,082 1.1
16. Population (thousands)	11,685 1.6	11,898 1.8	12,097 1.7	12,238 1.2
17. Personal disposable income per capita (dollars)	22,703 7.0	22,992 1.3	23,503 2.2	23,854 1.5
18. Real personal disposable income per capita (chained (1997) dollars)	21,509 4.6	21,343 -0.8	21,428 0.4	21,415 -0.1

Notes: Per cent change from previous year is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE*Millions of dollars***TABLE 11**

	2000	2001	2002	2003
1. Exports of goods and services	321,009 9.8	315,275 -1.8	327,394 3.8	310,269 -5.2
2. Of which: International	236,954 9.3	231,216 -2.4	237,093 2.5	220,179 -7.1
3. Of which: Interprovincial	84,055 11.4	84,059 0.0	90,302 7.4	90,090 -0.2
4. Imports of goods and services	275,418 10.6	266,594 -3.2	278,967 4.6	272,127 -2.5
5. Trade balance	45,591	48,681	48,427	38,143

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 12

Using chained (1997) dollars

	2000	2001	2002	2003
1. Personal expenditure on consumer goods and services:	105.6 2.3	107.7 2.1	109.7 1.8	111.4 1.6
2. Durable goods	99.6 -0.8	99.0 -0.6	98.7 -0.3	98.2 -0.6
3. Semi-durable goods	105.0 2.0	105.5 0.5	105.7 0.2	105.1 -0.5
4. Non-durable goods	108.5 4.7	114.5 5.6	117.8 2.9	122.7 4.1
5. Services	106.0 2.2	107.8 1.7	110.3 2.3	111.8 1.3
6. Government expenditure on goods and services:	105.7 3.8	107.3 1.5	110.4 2.9	112.6 2.0
7. Current expenditure	106.3 4.0	108.1 1.6	111.6 3.2	114.1 2.3
8. Capital expenditure	101.7 2.7	102.2 0.4	102.9 0.7	102.6 -0.3
9. Business gross fixed capital formation:	103.0 1.5	104.9 1.8	107.5 2.5	106.8 -0.7
10. Residential structures	108.3 3.2	111.7 3.2	117.0 4.8	122.3 4.6
11. Non-residential structures	110.7 6.1	112.5 1.6	115.8 3.0	118.8 2.6
12. Machinery and equipment	97.7 -1.0	98.7 1.0	99.3 0.6	93.2 -6.1
13. Exports of goods and services	102.9 2.0	104.1 1.1	104.5 0.5	100.4 -4.0
14. DEDUCT: Imports of goods and services	105.4 2.5	107.9 2.4	108.8 0.8	103.3 -5.1
15. Gross Domestic Product at market prices	103.1 2.0	104.3 1.2	106.2 1.9	107.9 1.6
16. Final domestic demand	105.1 2.5	107.1 1.9	109.5 2.2	110.9 1.3

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Goods Producing Industries	125,852 -2.5	125,838 -0.0	122,165 -2.9	121,238 -0.8	126,003 3.9	127,715 1.4	129,218 1.2	129,272 0.0
2. Primary	7,717 -0.9	7,628 -1.2	7,486 -1.9	7,510 0.3	7,462 -0.7	7,715 3.4	7,874 2.1	8,085 2.7
3. Agriculture, Forestry, Fishing & Hunting	4,580 -2.8	4,528 -1.2	4,347 -4.0	4,258 -2.0	4,266 0.2	4,545 6.5	4,763 4.8	4,954 4.0
4. Mining	3,196 1.7	3,181 -0.5	3,195 0.5	3,273 2.4	3,197 -2.3	3,157 -1.3	3,102 -1.7	3,135 1.1
5. Utilities	9,730 -1.8	10,025 3.0	9,799 -2.2	10,051 2.6	10,070 0.2	10,413 3.4	10,169 -2.3	10,289 1.2
6. Electric Power	7,593 -1.4	7,917 4.3	7,769 -1.9	8,004 3.0	7,971 -0.4	8,155 2.3	8,052 -1.3	8,033 -0.2
7. Natural Gas, Water and Other	2,131 -3.1	2,101 -1.4	2,024 -3.7	2,040 0.8	2,092 2.5	2,252 7.6	2,111 -6.2	2,250 6.6
8. Construction	18,969 4.8	19,547 3.0	20,348 4.1	21,100 3.7	21,291 0.9	20,576 -3.4	20,385 -0.9	20,180 -1.0
9. Residential Buildings	7,604 5.6	7,638 0.4	7,931 3.8	8,311 4.8	8,733 5.1	8,456 -3.2	8,679 2.6	8,363 -3.6
10. Non-Residential Buildings and Engineering	11,377 4.2	11,909 4.7	12,415 4.2	12,780 2.9	12,555 -1.8	12,115 -3.5	11,706 -3.4	11,822 1.0
11. Manufacturing	89,381 -4.4	88,321 -1.2	84,095 -4.8	82,147 -2.3	86,799 5.7	88,734 2.2	90,600 2.1	90,502 -0.1
12. Food, Beverage, & Tobacco Products	9,742 3.2	9,885 1.5	9,951 0.7	10,077 1.3	10,146 0.7	10,016 -1.3	9,946 -0.7	9,802 -1.4
13. Textile, Clothing, & Leather Products	2,245 -7.6	2,127 -5.3	1,944 -8.6	1,856 -4.5	2,095 12.9	2,118 1.1	2,151 1.6	2,209 2.7
14. Wood Products and Furniture	5,025 -3.0	4,819 -4.1	4,525 -6.1	4,439 -1.9	4,699 5.9	4,704 0.1	4,921 4.6	4,945 0.5
15. Paper Products and Printing	6,596 -4.2	6,149 -6.8	6,035 -1.9	5,808 -3.8	5,985 3.0	6,182 3.3	6,205 0.4	6,234 0.5
16. Chemical and Petroleum Products	7,933 -4.2	7,978 0.6	7,500 -6.0	7,459 -0.6	7,954 6.6	8,287 4.2	8,569 3.4	8,832 3.1
17. Plastic and Rubber Products	6,375 0.9	6,223 -2.4	5,954 -4.3	5,901 -0.9	6,529 10.6	6,759 3.5	6,847 1.3	6,976 1.9
18. Primary Metal & Fabricated Metal Products	12,513 -4.5	12,525 0.1	12,319 -1.6	12,128 -1.6	12,785 5.4	13,217 3.4	13,218 0.0	13,255 0.3
19. Machinery	6,429 -4.2	6,191 -3.7	5,821 -6.0	5,522 -5.1	5,794 4.9	6,071 4.8	6,224 2.5	6,752 8.5

*Notes: Ontario Production is measured as Gross Domestic Product at basic prices.**Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
20. Electrical and Electronic Products	10,521 -15.7	9,615 -8.6	8,056 -16.2	6,924 -14.0	7,857 13.5	8,265 5.2	8,176 -1.1	8,303 1.6
21. Transportation Equipment	18,441 -4.0	19,451 5.5	18,980 -2.4	19,066 0.5	19,869 4.2	19,994 0.6	20,966 4.9	19,784 -5.6
22. Auto Industry (Vehicles & Parts)	16,090 -6.3	16,828 4.6	16,403 -2.5	16,144 -1.6	16,794 4.0	17,384 3.5	18,298 5.3	17,776 -2.9
23. Other Transportation Equipment	2,376 18.0	2,597 9.3	2,636 1.5	2,864 8.6	3,054 6.6	2,638 -13.6	2,547 -3.4	2,123 -16.7
24. Non-metallic Mineral Products & Other Manufacturing	4,148 -2.4	3,831 -7.6	3,389 -11.5	3,322 -2.0	3,515 5.8	3,591 2.2	3,831 6.7	3,944 3.0
25. Services Producing Industries	275,073 0.5	277,344 0.8	277,858 0.2	279,719 0.7	283,538 1.4	287,443 1.4	290,548 1.1	292,641 0.7
26. Wholesale Trade	26,278 -1.2	26,680 1.5	26,549 -0.5	26,125 -1.6	27,074 3.6	28,264 4.4	28,689 1.5	29,781 3.8
27. Retail Trade	20,342 -0.0	20,241 -0.5	19,957 -1.4	20,536 2.9	21,123 2.9	20,980 -0.7	21,087 0.5	21,497 1.9
28. Transportation and Warehousing	16,101 0.2	15,970 -0.8	15,959 -0.1	16,043 0.5	16,223 1.1	16,409 1.1	16,431 0.1	16,352 -0.5
29. Information & Culture (including Telecommunications)	16,736 0.5	17,073 2.0	17,301 1.3	17,738 2.5	18,046 1.7	18,189 0.8	18,342 0.8	18,434 0.5
30. Finance, Insurance, Real Estate, Rental & Leasing	86,026 0.8	86,731 0.8	87,259 0.6	88,162 1.0	89,335 1.3	91,204 2.1	91,575 0.4	91,712 0.1
31. Professional and Administrative Services	29,957 1.3	30,336 1.3	30,281 -0.2	30,178 -0.3	30,656 1.6	31,051 1.3	31,520 1.5	31,771 0.8
32. Education	17,401 -0.2	17,330 -0.4	17,360 0.2	17,270 -0.5	17,312 0.2	17,584 1.6	17,720 0.8	17,770 0.3
33. Health Care and Social Services	21,194 0.5	21,497 1.4	21,880 1.8	22,219 1.5	22,330 0.5	22,424 0.4	22,416 -0.0	22,388 -0.1
34. Arts, Entertainment & Recreation	3,676 0.4	3,618 -1.6	3,594 -0.7	3,608 0.4	3,623 0.4	3,866 6.7	3,783 -2.1	3,812 0.8
35. Accommodation and Food	9,037 3.1	9,063 0.3	8,731 -3.7	8,830 1.1	8,951 1.4	8,965 0.2	8,978 0.1	8,934 -0.5
36. Other Services	9,177 1.4	9,288 1.2	9,260 -0.3	9,168 -1.0	9,288 1.3	9,400 1.2	9,623 2.4	9,626 0.0
37. Public Administration	19,508 1.1	19,829 1.6	19,973 0.7	20,116 0.7	19,915 -1.0	19,463 -2.3	20,706 6.4	20,827 0.6
38. Total Production	401,190 -0.5 -1.9	403,415 0.6 2.2	400,122 -0.8 -3.2	400,931 0.2 0.8	409,590 2.2 8.9	415,306 1.4 5.7	420,012 1.1 4.6	422,174 0.5 2.1

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Goods Producing Industries	129,202 -0.1	127,204 -1.5	126,390 -0.6	129,865 2.7	129,426 -0.3	131,256 1.4	-	-
2. Primary	7,855 -2.8	7,725 -1.7	7,707 -0.2	7,875 2.2	7,847 -0.4	7,904 0.7	-	-
3. Agriculture, Forestry, Fishing & Hunting	4,803 -3.0	4,919 2.4	4,966 0.9	5,051 1.7	4,981 -1.4	5,019 0.8	-	-
4. Mining	3,057 -2.5	2,799 -8.4	2,786 -0.5	2,917 4.7	2,895 -0.8	2,959 2.2	-	-
5. Utilities	10,524 2.3	9,699 -7.8	9,540 -1.6	9,337 -2.1	9,558 2.4	9,226 -3.5	-	-
6. Electric Power	8,109 0.9	7,550 -6.9	7,477 -1.0	7,342 -1.8	7,436 1.3	7,168 -3.6	-	-
7. Natural Gas, Water and Other	2,434 8.2	2,186 -10.2	2,118 -3.1	2,069 -2.3	2,121 2.5	2,058 -3.0	-	-
8. Construction	20,623 2.2	20,969 1.7	21,282 1.5	22,246 4.5	21,970 -1.2	21,879 -0.4	-	-
9. Residential Buildings	8,544 2.2	8,866 3.8	9,106 2.7	9,772 7.3	9,689 -0.8	9,840 1.6	-	-
10. Non-Residential Buildings and Engineering	12,077 2.2	12,104 0.2	12,179 0.6	12,471 2.4	12,274 -1.6	12,028 -2.0	-	-
11. Manufacturing	90,847 0.4	88,975 -2.1	86,887 -2.3	89,234 2.7	88,922 -0.3	91,007 2.3	-	-
12. Food, Beverage, & Tobacco Products	9,848 0.5	9,680 -1.7	9,596 -0.9	9,665 0.7	9,699 0.4	9,882 1.9	-	-
13. Textile, Clothing, & Leather Products	2,077 -6.0	1,927 -7.2	1,813 -5.9	1,874 3.3	1,802 -3.8	1,777 -1.4	-	-
14. Wood Products and Furniture	5,011 1.3	4,885 -2.5	4,624 -5.4	4,608 -0.3	4,550 -1.3	4,637 1.9	-	-
15. Paper Products and Printing	6,287 0.8	6,140 -2.3	6,053 -1.4	6,140 1.4	6,004 -2.2	6,052 0.8	-	-
16. Chemical and Petroleum Products	8,789 -0.5	8,716 -0.8	8,615 -1.2	8,941 3.8	9,039 1.1	9,206 1.8	-	-
17. Plastic and Rubber Products	7,071 1.4	6,704 -5.2	6,566 -2.1	6,824 3.9	6,656 -2.5	6,725 1.0	-	-
18. Primary Metal & Fabricated Metal Products	13,403 1.1	13,039 -2.7	12,364 -5.2	13,016 5.3	12,585 -3.3	12,961 3.0	-	-
19. Machinery	6,353 -5.9	6,087 -4.2	5,769 -5.2	5,793 0.4	5,848 1.0	5,904 1.0	-	-

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
20. Electrical and Electronic Products	8,569 3.2	8,420 -1.7	8,146 -3.3	8,451 3.7	8,409 -0.5	8,668 3.1	- -	- -
21. Transportation Equipment	19,953 0.9	19,847 -0.5	19,889 0.2	20,502 3.1	21,018 2.5	21,722 3.3	- -	- -
22. Auto Industry (Vehicles & Parts)	17,887 0.6	17,557 -1.8	17,711 0.9	18,221 2.9	18,686 2.5	19,261 3.1	- -	- -
23. Other Transportation Equipment	2,139 0.8	2,276 6.4	2,096 -7.9	2,305 10.0	2,230 -3.3	2,309 3.5	- -	- -
24. Non-metallic Mineral Products & Other Manufacturing	3,980 0.9	3,997 0.4	3,890 -2.7	3,867 -0.6	3,805 -1.6	3,956 4.0	- -	- -
25. Services Producing Industries	293,702 0.4	293,904 0.1	293,625 -0.1	296,183 0.9	298,704 0.9	301,766 1.0	- -	- -
26. Wholesale Trade	30,192 1.4	29,933 -0.9	29,219 -2.4	30,303 3.7	29,899 -1.3	30,825 3.1	- -	- -
27. Retail Trade	21,673 0.8	21,545 -0.6	21,584 0.2	21,223 -1.7	21,509 1.3	21,406 -0.5	- -	- -
28. Transportation and Warehousing	16,369 0.1	16,202 -1.0	16,211 0.1	16,573 2.2	16,563 -0.1	16,879 1.9	- -	- -
29. Information & Culture (including Telecommunications)	18,695 1.4	18,857 0.9	18,765 -0.5	18,798 0.2	18,869 0.4	19,281 2.2	- -	- -
30. Finance, Insurance, Real Estate, Rental & Leasing	91,329 -0.4	92,237 1.0	92,578 0.4	92,753 0.2	93,902 1.2	94,911 1.1	- -	- -
31. Professional and Administrative Services	32,093 1.0	32,350 0.8	32,413 0.2	32,346 -0.2	32,699 1.1	33,175 1.5	- -	- -
32. Education	17,517 -1.4	17,361 -0.9	17,204 -0.9	17,345 0.8	17,707 2.1	17,994 1.6	- -	- -
33. Health Care and Social Services	22,820 1.9	22,997 0.8	23,458 2.0	23,795 1.4	23,999 0.9	24,060 0.3	- -	- -
34. Arts, Entertainment & Recreation	3,866 1.4	3,901 0.9	3,871 -0.8	3,961 2.3	3,908 -1.3	3,916 0.2	- -	- -
35. Accommodation and Food	8,806 -1.4	8,303 -5.7	8,511 2.5	8,842 3.9	8,838 -0.0	8,911 0.8	- -	- -
36. Other Services	9,629 0.0	9,544 -0.9	9,496 -0.5	9,686 2.0	9,772 0.9	9,776 0.0	- -	- -
37. Public Administration	21,096 1.3	21,031 -0.3	20,725 -1.5	21,130 2.0	21,611 2.3	21,373 -1.1	- -	- -
38. Total Production	424,188 0.5 1.9	421,761 -0.6 -2.3	419,510 -0.5 -2.1	425,794 1.5 6.1	427,703 0.4 1.8	432,596 1.1 4.7	- -	- -

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of chained (1997) dollars

	2000	2001	2002	2003
1. Goods Producing Industries	127,402 7.4	123,773 -2.8	128,052 3.5	128,165 0.1
2. Primary	7,844 0.6	7,585 -3.3	7,784 2.6	7,790 0.1
3. Agriculture, Forestry, Fishing & Hunting	4,790 -2.0	4,428 -7.5	4,632 4.6	4,935 6.5
4. Mining	3,099 6.0	3,211 3.6	3,148 -2.0	2,890 -8.2
5. Utilities	9,931 0.4	9,901 -0.3	10,235 3.4	9,775 -4.5
6. Electric Power	7,813 -1.7	7,821 0.1	8,053 3.0	7,620 -5.4
7. Natural Gas, Water and Other	2,112 8.5	2,074 -1.8	2,176 4.9	2,202 1.2
8. Construction	18,403 2.5	19,991 8.6	20,608 3.1	21,280 3.3
9. Residential Buildings	7,165 6.1	7,871 9.9	8,558 8.7	9,072 6.0
10. Non-Residential Buildings and Engineering	11,238 0.3	12,120 7.8	12,050 -0.6	12,208 1.3
11. Manufacturing	91,145 10.1	85,986 -5.7	89,159 3.7	88,986 -0.2
12. Food, Beverage, & Tobacco Products	9,342 -0.1	9,914 6.1	9,978 0.6	9,697 -2.8
13. Textile, Clothing, & Leather Products	2,222 18.6	2,043 -8.1	2,143 4.9	1,923 -10.3
14. Wood Products and Furniture	4,850 21.0	4,702 -3.0	4,818 2.5	4,782 -0.7
15. Paper Products and Printing	6,342 15.2	6,147 -3.1	6,151 0.1	6,155 0.1
16. Chemical and Petroleum Products	7,759 6.7	7,717 -0.5	8,411 9.0	8,765 4.2
17. Plastic and Rubber Products	5,919 16.6	6,113 3.3	6,778 10.9	6,791 0.2
18. Primary Metal & Fabricated Metal Products	12,739 14.4	12,371 -2.9	13,119 6.0	12,956 -1.2
19. Machinery	6,564 18.1	5,991 -8.7	6,210 3.7	6,001 -3.4

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of chained (1997) dollars

	2000	2001	2002	2003
20. Electrical and Electronic Products	11,529 31.1	8,779 -23.9	8,150 -7.2	8,396 3.0
21. Transportation Equipment	20,523 -1.5	18,985 -7.5	20,153 6.2	20,048 -0.5
22. Auto Industry (Vehicles & Parts)	18,064 0.7	16,366 -9.4	17,563 7.3	17,844 1.6
23. Other Transportation Equipment	2,460 -14.8	2,618 6.5	2,590 -1.1	2,204 -14.9
24. Non-metallic Mineral Products & Other Manufacturing	3,855 13.1	3,673 -4.7	3,720 1.3	3,933 5.7
25. Services Producing Industries	268,431 5.3	277,499 3.4	288,543 4.0	294,353 2.0
26. Wholesale Trade	26,067 7.1	26,408 1.3	28,452 7.7	29,912 5.1
27. Retail Trade	19,885 6.8	20,269 1.9	21,172 4.5	21,506 1.6
28. Transportation and Warehousing	16,188 3.9	16,018 -1.0	16,354 2.1	16,339 -0.1
29. Information & Culture (including Telecommunications)	16,029 10.2	17,212 7.4	18,253 6.0	18,779 2.9
30. Finance, Insurance, Real Estate, Rental & Leasing	83,265 6.2	87,044 4.5	90,956 4.5	92,224 1.4
31. Professional and Administrative Services	28,841 7.8	30,188 4.7	31,250 3.5	32,300 3.4
32. Education	17,148 0.3	17,340 1.1	17,596 1.5	17,357 -1.4
33. Health Care and Social Services	21,031 1.6	21,698 3.2	22,390 3.2	23,268 3.9
34. Arts, Entertainment & Recreation	3,549 5.4	3,624 2.1	3,771 4.1	3,900 3.4
35. Accommodation and Food	8,750 1.8	8,916 1.9	8,957 0.5	8,615 -3.8
36. Other Services	8,875 4.4	9,223 3.9	9,484 2.8	9,589 1.1
37. Public Administration	19,105 2.4	19,857 3.9	20,228 1.9	20,996 3.8
38. Total Production	396,133 6.0	401,414 1.3	416,771 3.8	422,813 1.4

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

**For further information on the *Ontario Economic Accounts*,
please contact us at:**

Ministry of Finance
Macroeconomic Analysis & Policy Branch
Current Analysis Unit
6th Floor, Frost Building North
95 Grosvenor Street
Toronto, ON M7A 1Z1
416 325-0755

e-mail: macroeconomics@fin.gov.on.ca
website: <http://www.gov.on.ca/FIN/english/enghome.htm>

CA28N

TR17

-B75 c.2

**Ontario
Ministry
of Finance**

**Third Quarter
of 2004**
(July, August, September)

January 2005

Government
Publications

DUP

Ontario Economic Accounts



January 2005
Third Quarter of 2004
(July, August, September)

Ontario Economic Accounts



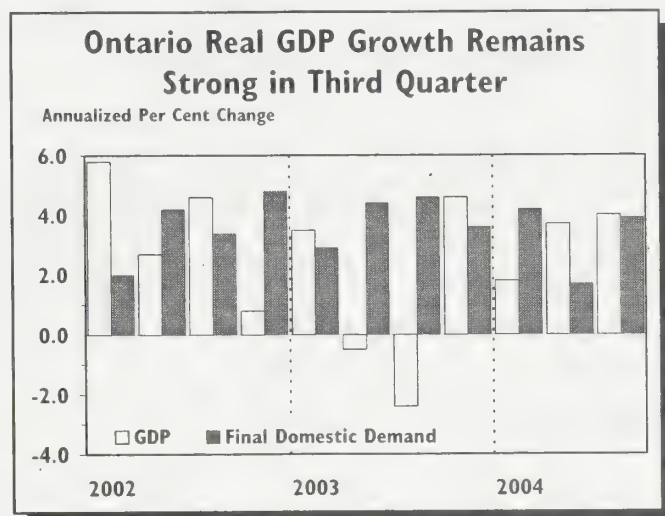
Ontario Ministry of Finance

Table of Contents

Third-Quarter Highlights	1
Demand and Incomes	3
Ontario Production By Industry	7
Ontario Economic Accounts: Summary Charts (2000:1-2004:3)	12
List of Tables	15

THIRD-QUARTER HIGHLIGHTS: JULY-SEPTEMBER 2004

- Ontario's **real Gross Domestic Product** grew by 1.0% (4.0% annualized) in the third (July to September) quarter of 2004, slightly above the second quarter growth of 0.9% (3.7% annualized).
- Economic growth in Ontario in the third quarter was led by a large build-up in business inventories, along with solid gains in spending by both the household and business sectors. **Final domestic demand** increased by 1.0% in the third quarter, following a 0.4% advance in the second quarter. **Net trade** provided a significant drag on the economy, as import growth accelerated, spurred on by strong domestic demand and a rising dollar, while exports declined for the first time in a year.
- The largest source of third quarter growth was a record build-up in **real non-farm inventories**. After two quarters of depleting stocks, businesses raised inventories by a record \$8.2 billion (1997 dollars) in the third quarter. The majority of the inventory accumulation consisted of auto products and was spread across manufacturers, wholesalers and dealers.
- **Real consumer spending** also contributed to third quarter growth, advancing 0.8%, following a 0.1% second quarter advance. Consumer spending on semi-durable goods – particularly clothing – was robust, as was spending on furniture.
- **Real residential construction** continued its record performance, with growth in residential investment accelerating to 3.8%, following a 2.6% gain in the second quarter. Renovation spending led growth.
- **Real business investment** also strengthened in the third quarter, with growth accelerating to 1.8%, after rising 0.9% in the second quarter. Machinery and equipment investment advanced for the seventh consecutive quarter, growing by 2.3% while non-residential construction slipped by 0.1%.
- **Real exports** dropped by 0.6% in the third quarter as the Canadian dollar rose by close to 4% compared with the second quarter. **Real imports** advanced by 2.6% in the third quarter,



reflecting healthy domestic demand and the impact of the strong Canadian dollar.

- In current dollars, **nominal GDP** grew 1.6% (6.4% annualized) in the third quarter, slowing from a 2.1% (8.6% annualized) pace in the second quarter. Economy-wide prices as measured by the **GDP implicit price index** moderated in the third quarter, rising by 0.6%, half the 1.2% pace registered in the second quarter.

ONTARIO ECONOMIC ACCOUNTS: HIGHLIGHTS

(% change from previous period)

	2002	2003	2003:4	2004:1	2004:2	2004:3
Real GDP (Chained \$ 1997)	3.4	1.6	1.1	0.4	0.9	1.0
(annualized rate)			4.6	1.8	3.7	4.0
Personal spending	3.6	3.2	-0.2	1.3	0.1	0.8
Government spending	4.3	5.6	2.2	1.3	0.4	0.1
Residential construction	9.8	4.5	5.8	-3.2	2.6	3.8
Non-residential construction	1.3	-3.2	-2.7	0.4	0.0	-0.1
Machinery & equipment	-5.0	7.2	2.9	2.4	1.1	2.3
Exports	1.5	-0.6	3.5	0.3	2.6	-0.6
Imports	1.8	3.8	5.7	-0.2	1.8	2.6
Business inventories (Chained \$1997 billions)	0.4	3.3	4.4	-0.5	-0.9	8.2
Nominal GDP (\$ Current)	5.6	3.1	1.1	1.1	2.1	1.6
Corporation profits	21.1	-1.7	-0.2	6.6	7.0	1.4
Personal income	2.5	2.6	0.6	1.2	1.2	0.8
Disposable income	3.6	2.7	0.5	1.1	1.2	0.1
Implicit price index, GDP	2.2	1.5	-0.1	0.7	1.2	0.6

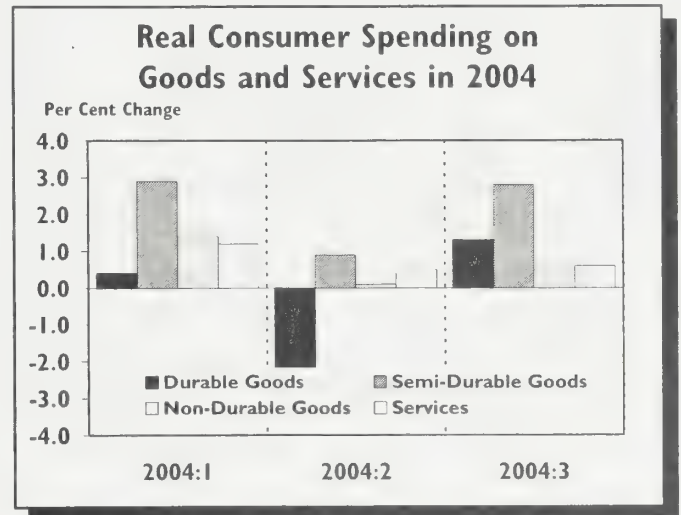
DEMAND AND INCOMES

CONSUMER SPENDING REBOUNDS BUT INCOME GROWTH STALLS

Real consumer spending advanced 0.8% in the third quarter, up from a 0.1% increase in the second quarter.

Spending on semi-durables grew by a robust 2.8% in the third quarter, boosted by a strong rebound in clothing purchases.

Consumer spending on durables also recovered in the third quarter, growing by a solid 1.3%, following a sharp 2.2% decline in the previous quarter. Much of the durable spending growth was due to increased purchases of furniture and appliances (+3.3%) which were in turn a reflection of the recent growth in the Ontario housing market. The growth in durable spending was moderated by weaker automobile spending, which fell by 0.3% in the third quarter.



Consumer spending on services increased by a modest 0.6% in the third quarter, comparable to the 0.5% gain of the second quarter. Service spending was bolstered by increased purchases of recreational services. These gains were partially offset by reduced spending on travel and transportation services in the third quarter.

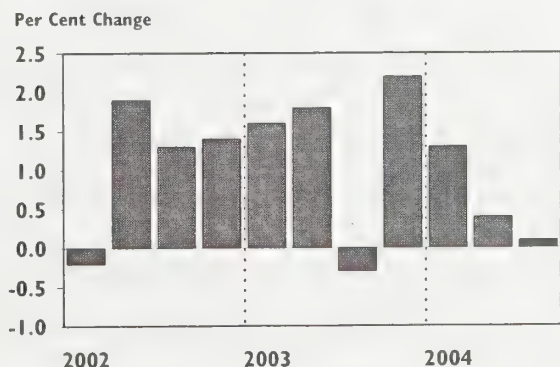
Labour income, the largest component of household income, grew by 0.9% in the third quarter, benefiting from 0.3% gain in employment (19,700 jobs).

GROWTH IN GOVERNMENT SPENDING SLOWS IN THIRD QUARTER

Real government current expenditures on goods and services slowed to 0.1%, after growing by 0.7% in the second quarter and 1.1% in the first quarter.

Real capital spending by government declined by 0.6% in the third quarter, following a 1.7% decrease in the second quarter.

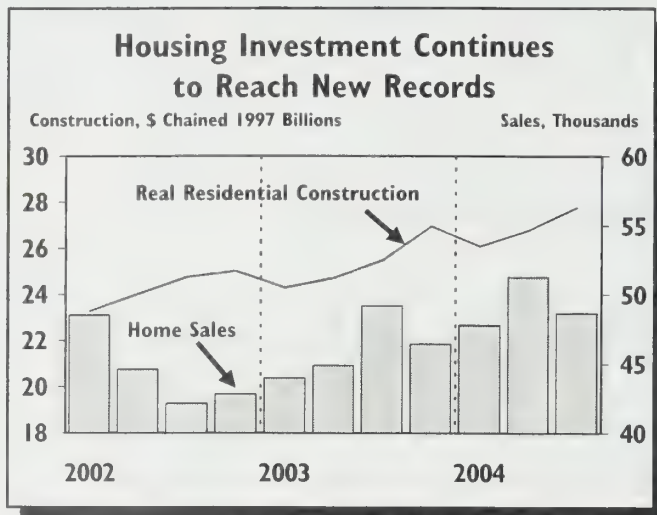
Government Expenditure Growth Slows in Third Quarter



RESIDENTIAL CONSTRUCTION CONTINUES RECORD PERFORMANCE

Real residential construction grew by 3.8% in the third quarter following a 2.6% gain in the second quarter. A 14.4% surge in third quarter renovation spending and modest growth in new housing construction (+0.1%) were partly offset by a 3.8% drop in real estate commissions, a reflection of a 5.2% decline in third quarter home resales.

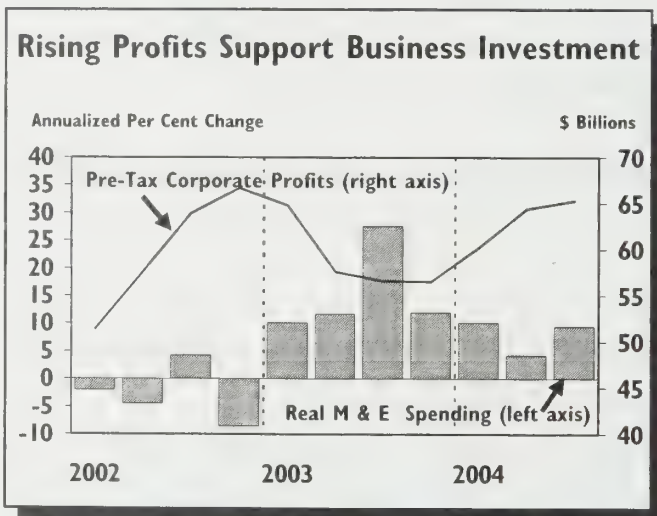
Low interest rates, solid employment and population growth and rising income levels have propelled real residential construction investment to all-time record levels. Over the last nine years, residential investment has doubled, from \$13.7 billion in 1996 to \$27.8 billion by the third quarter of 2004.



BUSINESS INVESTMENT STRENGTHENS IN THIRD QUARTER

Business investment in plant and equipment also remained at an all-time high level in the third quarter, growing at a 1.8% rate, double the 0.9% pace in the second quarter. The strong third quarter performance was due to continuing growth in **machinery and equipment** investment which advanced by 2.3%, the seventh consecutive quarterly increase. Much of the growth came from strong business demand for industrial machinery, computers and other office equipment and software.

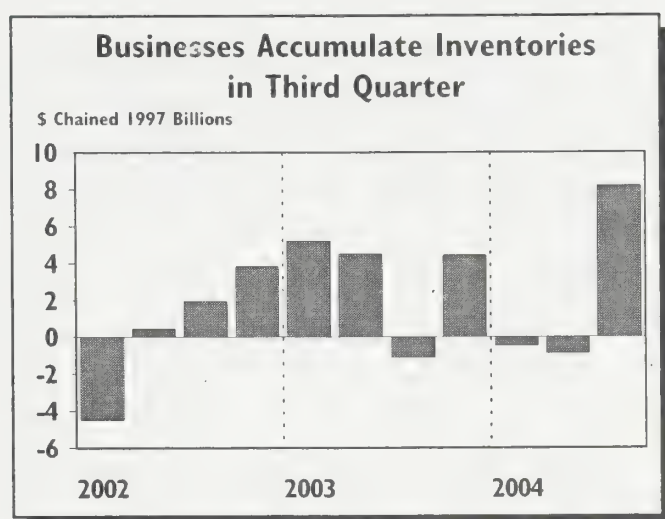
For the second consecutive quarter, **real non-residential construction** was little changed, falling by 0.1%. Business spending on commercial and industrial building construction declined 2.0% in the third quarter, the fifth decline in the last six quarters.



Following average growth of 6.8% in the first two quarters of the year, **pre-tax corporate profits** grew by 1.4% in the third quarter. Strong profit growth by retailers, real estate agents and mining producers were partially offset by lower profits in the manufacturing, wholesaling, and the financial sectors

RECORD BUILD-UP OF BUSINESS INVENTORIES

After two consecutive quarters of depleting inventory stocks, Ontario manufacturers, wholesalers and retailers, raised inventories by a record \$8.2 billion (1997 dollars), providing the main source of economic growth in the third quarter. The third quarter accumulation was concentrated in the auto industry, including manufacturing, wholesaling and retailing.

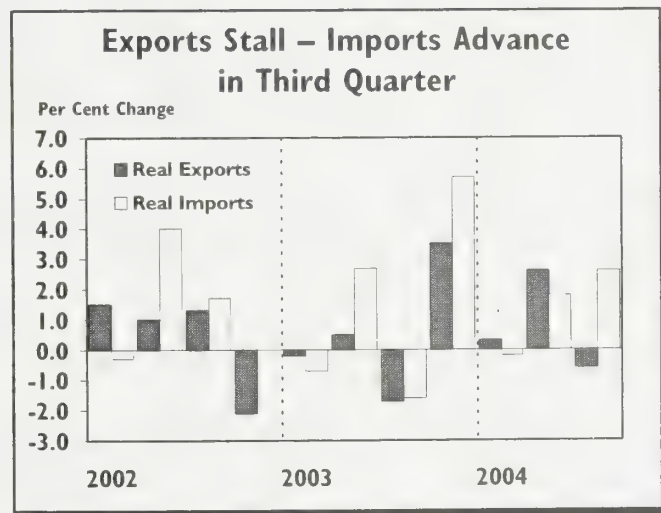


EXPORTS DECLINE - IMPORTS GROW

Real exports fell 0.6% in the third quarter, reversing a 2.6% gain in the second quarter. This was the first decline in a year as exports were hampered by slow U.S. demand and continued appreciation of the Canadian dollar against its U.S. counterpart.

The third quarter export decline was widespread with large decreases occurring in shipments of autos, industrial goods, energy products and other consumer goods. Auto exports, which represent over 40% of Ontario's international goods exports fell 3.2% in the third quarter, following robust growth averaging close to 4% in the previous three quarters. A 0.8% rise in machinery and equipment exports contributed to growth in an otherwise weak quarter.

Real imports, on the other hand, advanced 2.6% in the third quarter, following a 1.8% gain in the previous quarter. The strong Canadian dollar has encouraged households and businesses to increase their purchases of foreign goods and services. Machinery and equipment, autos and industrial goods and materials led the third quarter increase in imports.



With exports falling and imports growing strongly, Ontario's **real trade surplus** narrowed by \$9 billion (1997 dollars).

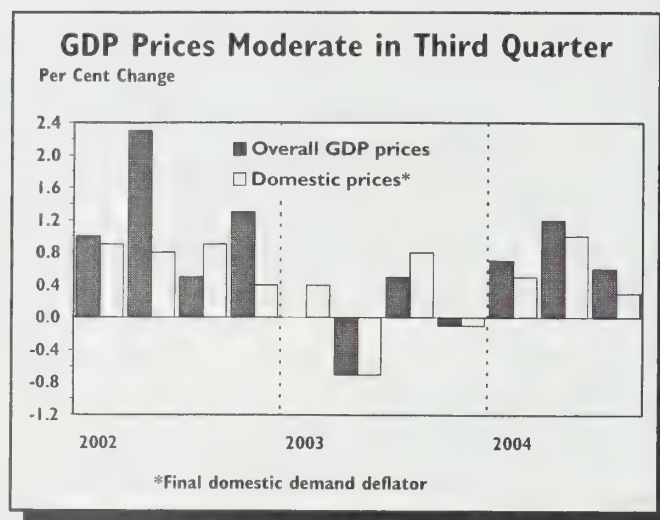
GDP INFLATION EASES IN THIRD QUARTER

Economy-wide prices as measured by the **GDP implicit price index** rose by 0.6% in the third quarter of 2004, half the 1.2% pace registered in the second quarter. Much of the easing can be attributed to the impact of a stronger dollar which appreciated 3.9% in the quarter. By reducing the price of imports, the rising dollar was a factor in reducing the rate of inflation for final domestic demand to a modest 0.3% from 1.0% in the second quarter.

Lower import prices, which fell by 1.5% in the third quarter, benefited both consumers and businesses. The price index for consumer expenditures was almost unchanged, rising just 0.1%, while machinery and equipment prices fell by 1.7% in the quarter.

Export prices, measured in Canadian dollars, also eased in the third quarter, falling 0.4%, after jumping by 3.3% in the second quarter. Although prices continued to rise for Ontario's industrial goods, machinery and equipment and energy exports, these were more than offset by lower third quarter export prices for automotive products and for forestry and agricultural commodities.

Strong demand put upward pressure on Ontario's construction prices, with residential construction prices rising 0.9% and non-residential construction prices up 1.4%.



ONTARIO PRODUCTION BY INDUSTRY

INDUSTRIAL PRODUCTION IN JULY-SEPTEMBER QUARTER OF 2004

Industrial output advanced by 1.2% in the third quarter of 2004 (4.7% annualized), the same pace as the second quarter. Third quarter growth was concentrated in the goods sector which expanded its output by 2.6% while the services sector grew by a more moderate 0.4%.

The manufacturing sector (+3.0%) contributed more than half of the third quarter's advance. The construction (+2.2%) and retail trade (+1.4%) sectors also posted solid growth while wholesaling activity rose 0.6%.

The most significant output declines took place in the services sector, particularly arts, entertainment and recreation (-1.2%).

ONTARIO OUTPUT BY SECTOR

(% change from previous period, chained \$1997)

	2002	2003	2003:4	2004:1	2004:2	2004:3
Goods Sector	3.3	0.5	2.9	-0.5	1.3	2.6
Primary Industries	2.2	-1.3	2.4	1.0	-0.1	0.9
Utilities	0.7	-2.9	-0.5	1.9	-2.7	3.1
Construction	5.5	4.2	4.0	-1.7	-0.6	2.2
Manufacturing	3.3	0.0	2.7	-0.5	2.4	3.0
Of which: Auto Industry	7.4	2.9	3.2	1.7	2.4	2.9
Service Sector	3.2	2.2	1.2	1.0	1.1	0.4
Wholesale Trade	6.2	5.8	4.1	-1.4	3.5	0.6
Retail Trade	2.9	3.1	-0.4	1.3	-0.1	1.4
Transportation and Warehousing	1.7	0.8	3.2	0.6	1.0	0.9
Information and Cultural Industries	4.9	3.3	0.9	0.9	1.6	0.1
Finance, Insurance, Real Estate	3.6	1.8	0.8	1.6	1.2	0.2
Public Administration	2.3	3.0	1.3	2.2	-0.9	1.5
Ontario Output at Basic Prices	3.3	1.7	1.7	0.5	1.2	1.2
(annualized rate)			6.9	2.2	4.7	4.7

Notes: Real output by sector is measured as real gross domestic product at basic prices in chained 1997 dollars. Basic prices reflect costs incurred while creating the product and include taxes and subsidies on labour and capital inputs, but not taxes and subsidies on an industry's products.

MANUFACTURING GROWTH ACCELERATES

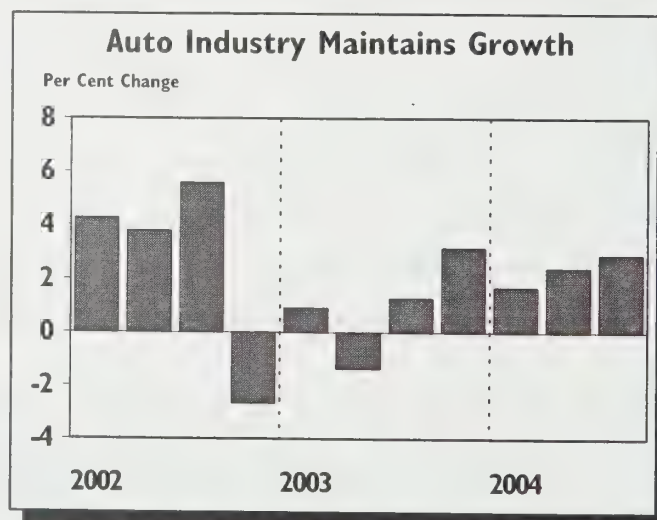
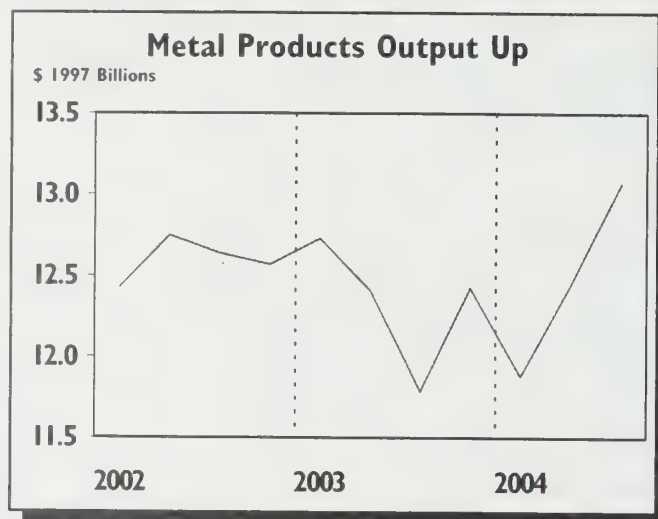
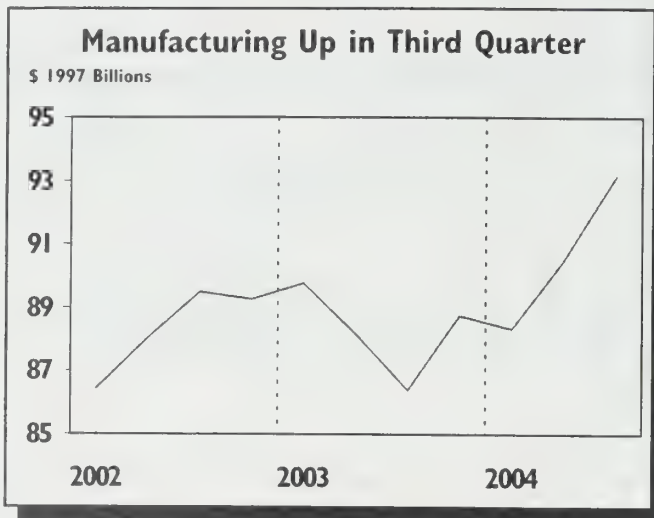
Manufacturing output jumped 3.0% in the third quarter, building on the momentum from a second quarter increase of 2.4%. Seven of eleven manufacturing industries* increased production. Growth in the sector represented more than half of the economy's overall gain in the quarter.

Output of the primary metals and fabricated metal products industry jumped 5.0% in the third quarter to reach a new all-time high. Fueled by strong demand for primary metals, this industry has increased its output by 10% over the past two quarters for its best two-quarter performance since 1997.

Auto sector output grew 2.9%. Auto assembly shot up for a third consecutive quarter (+5.6%), while auto parts manufacturing rose a more modest 0.5%. With both auto exports and domestic sales declining in the third quarter, the surge in production showed up in a substantial addition to inventories.

Other manufacturing industries with strong performances in the third quarter include chemical and petroleum products (+5.4%), electrical and electronic products (+5.5%), machinery (+4.8%) and food, beverage and tobacco (+2.5%).

The wood products and furniture industry (-1.2%) posted the most significant decline in the sector.



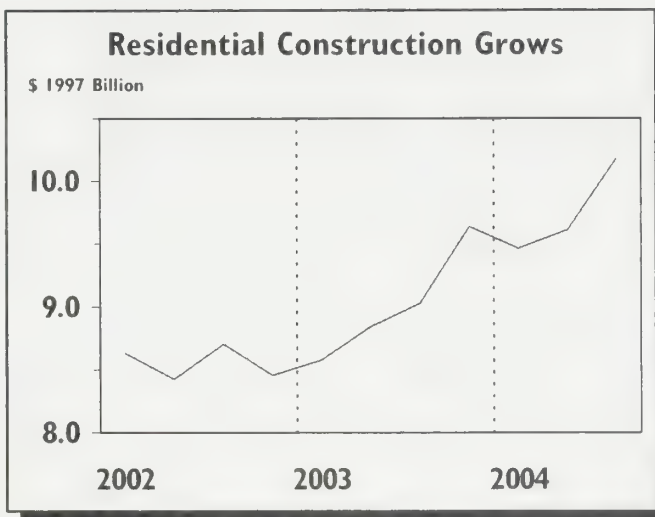
* The Ontario Economic Accounts includes eleven manufacturing industries.

CONSTRUCTION BOUNCES BACK

Construction activity advanced 2.2% in the third quarter after two quarters of decline. Advances in residential construction dominated declines in the rest of the sector.

Building on a 26.8% surge in multiple-dwelling housing starts in the previous quarter, residential construction jumped 5.9% in the third quarter, reaching the \$10 billion mark for the first time. The level of residential construction activity is now 30% above what it was three years ago.

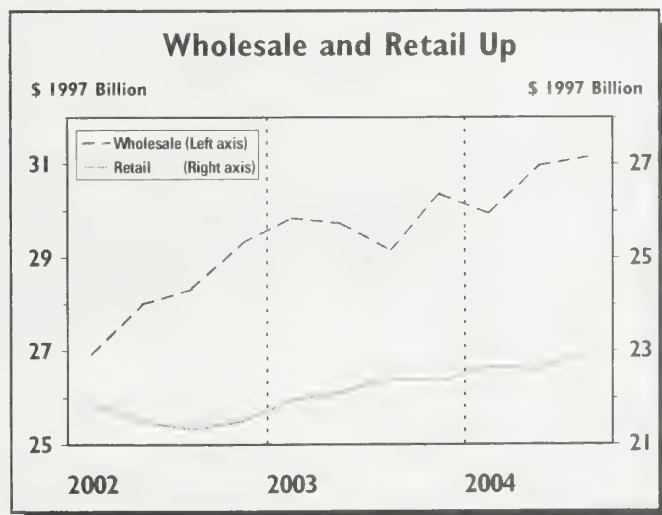
Output in the non-residential and engineering construction industries fell for a third consecutive quarter (-0.6%).



WHOLESALE AND RETAIL SECTORS GROW

Wholesaling activity rose 0.6% in the third quarter, a marked deceleration from its 3.5% increase in the previous quarter. Lower sales of automotive and computers and electronic products offset a rise in machinery sales.

The retail sector's output rose 1.4% in the third quarter, following a 0.1% decrease in the previous quarter. Home centres and supermarkets reported the most significant increases.



SLOWER GROWTH IN OTHER SERVICE SECTORS

Activity in the finance, insurance and real estate sector slowed to a 0.2% growth rate in the third quarter, following a 1.2% advance in the second quarter. A 5.2% drop in the number of home resales from a record second quarter level resulted in a decline in output by the real estate industry.

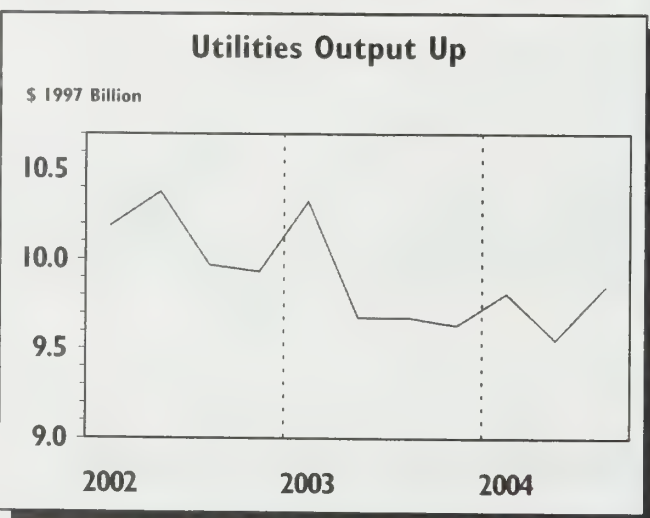
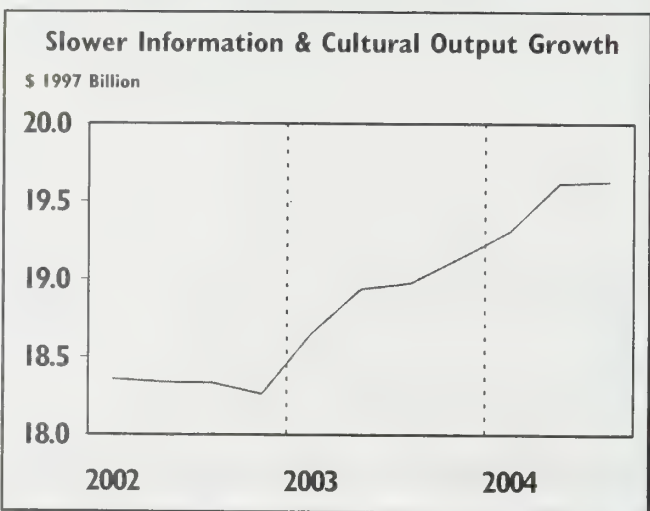
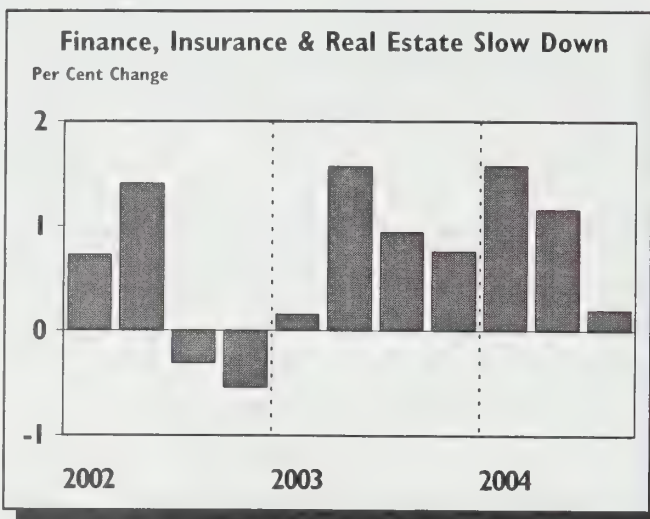
The information and culture sector (which includes telecommunications) also experienced more modest growth in the third quarter (+0.1%) due to lower publishing and motion picture activity. This marked the sector's weakest performance since 2002.

A number of other service sectors also posted weak or negative growth in the third quarter. The output of the arts, entertainment and recreation sector fell 1.2%. In the accommodation and food sector, production fell 0.4% following a flat second quarter. Activity in professional and administrative services, the second largest service sector industry, was nearly flat (+0.1%) following two quarters of steady growth.

RESOURCES AND UTILITIES

Mining output rose 0.5% in the third quarter, reflecting solid growth in copper, nickel, lead and zinc ore mining.

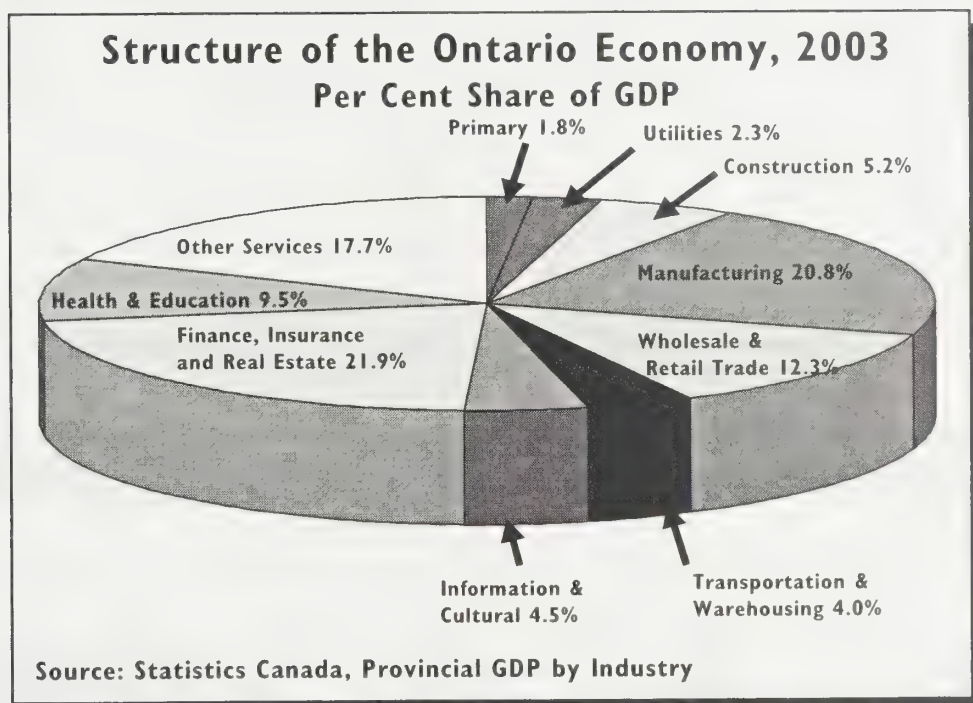
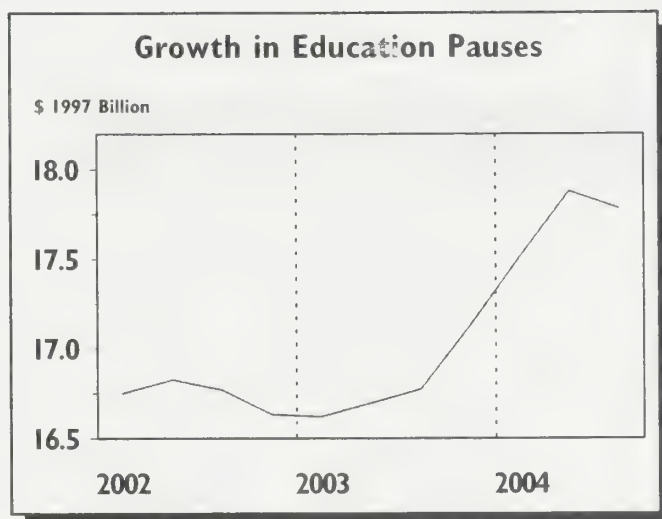
Utilities output jumped 3.1% following a 2.7% decline in the second quarter. Production advanced in both the electric power (+3.5%) and natural gas distribution (+1.8%) sectors.



EDUCATION, HEALTH CARE AND PUBLIC ADMINISTRATION

Education services output fell 0.6% in the third quarter after more than a year of uninterrupted growth. This sector's level of activity is now 7% higher than at the beginning of 2003.

The health care and social services sector continued to expand, advancing 1.8% in the third quarter, the 14th consecutive quarterly increase for this sector. Output of public administrations grew 1.5%.

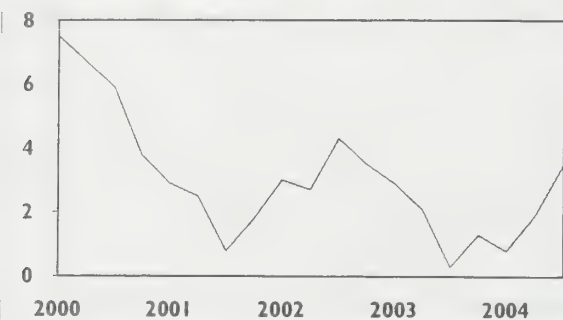


ONTARIO ECONOMIC ACCOUNTS: SUMMARY CHARTS

(2000:1 - 2004:3)

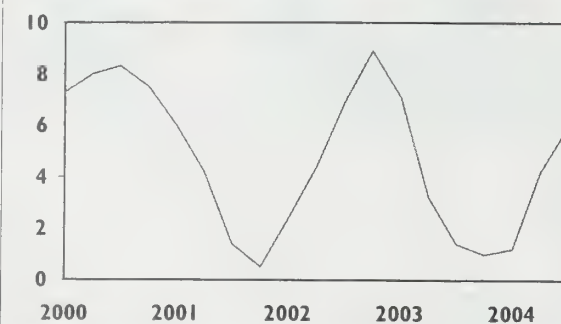
Gross Domestic Product (Chained \$ 1997)

Per Cent Change, Year-Over-Year



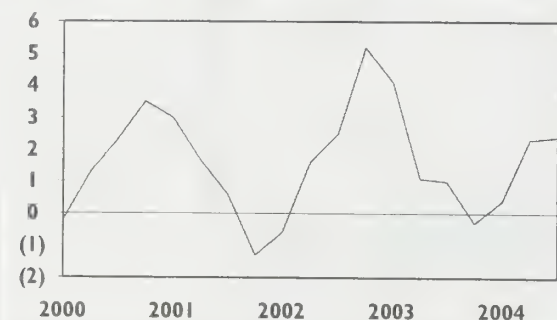
Gross Domestic Product (\$ Current)

Per Cent Change, Year-Over-Year



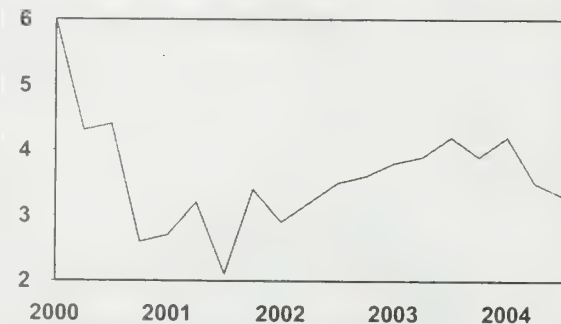
GDP Deflator (1997 = 100)

Per Cent Change, Year-Over-Year



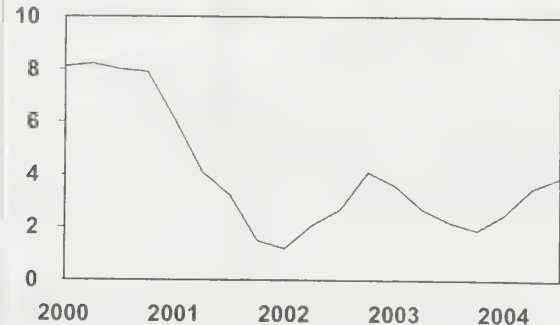
Final Domestic Demand (Chained \$ 1997)

Per Cent Change, Year-Over-Year



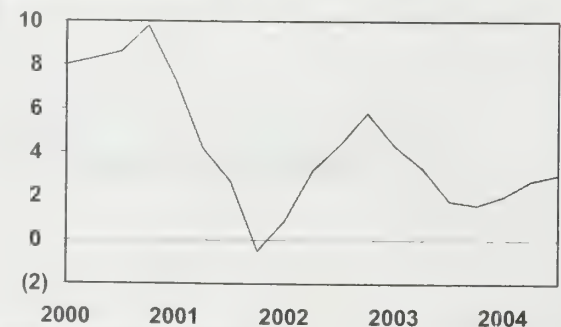
Personal Income (\$ Current)

Per Cent Change, Year-Over-Year



Personal Disposable Income (\$ Current)

Per Cent Change, Year-Over-Year

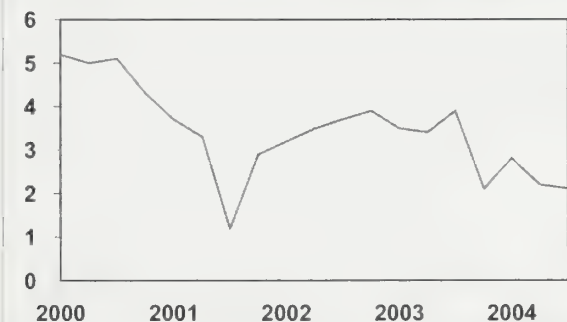


ONTARIO ECONOMIC ACCOUNTS: SUMMARY CHARTS

(2000:1 - 2004:3)

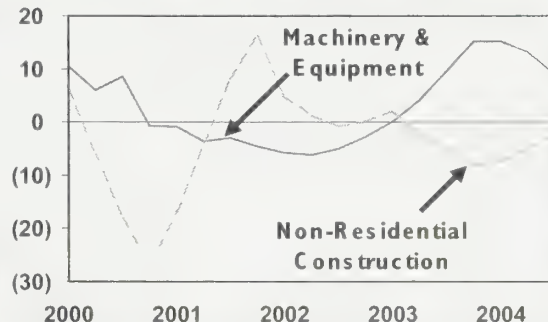
Consumer Spending (Chained \$ 1997)

Per Cent Change, Year-Over-Year



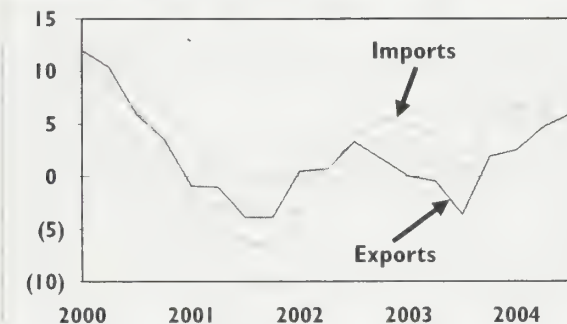
Business Plant & Equipment (Chained \$ 1997)

Per Cent Change, Year-Over-Year



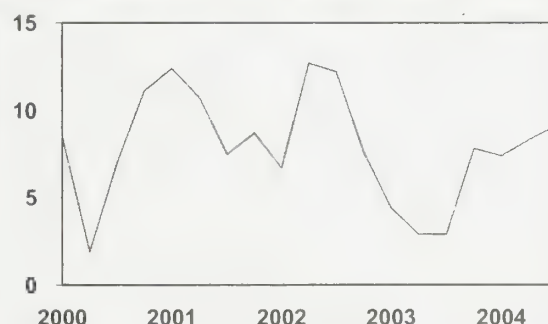
Trade (Chained \$ 1997)

Per Cent Change, Year-Over-Year



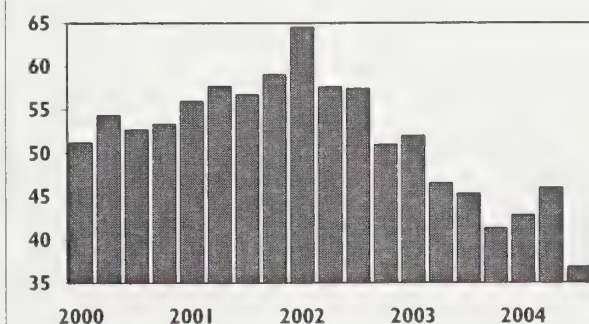
Residential Construction (Chained \$ 1997)

Per Cent Change, Year-Over-Year



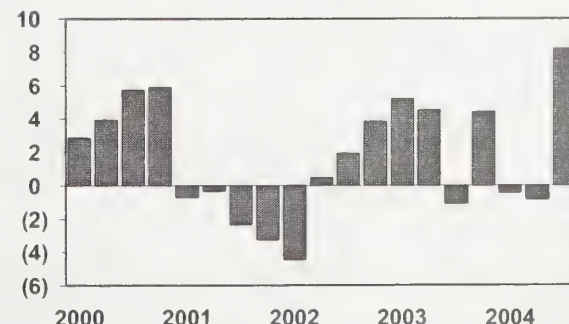
Net Exports (Chained \$ 1997)

\$ Billions



Change in Inventories (Chained \$ 1997)

\$ Billions



LIST OF TABLES

INCOME AND EXPENDITURE DATA

QUARTERLY DATA, 2001:1–2004:3

TABLE 1: ONTARIO GROSS DOMESTIC PRODUCT (INCOME-BASED)	16
TABLE 2: ONTARIO GROSS DOMESTIC PRODUCT (EXPENDITURE-BASED)	18
TABLE 3: ONTARIO GROSS DOMESTIC PRODUCT AT CHAINED 1997 PRICES	20
TABLE 4: SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME	22
TABLE 5: ONTARIO TRADE	24
TABLE 6: ONTARIO DEFLATORS	26

ANNUAL DATA, 2000–2003

TABLE 7: ONTARIO GROSS DOMESTIC PRODUCT (INCOME-BASED)	28
TABLE 8: ONTARIO GROSS DOMESTIC PRODUCT (EXPENDITURE-BASED)	29
TABLE 9: ONTARIO GROSS DOMESTIC PRODUCT AT CHAINED 1997 PRICES	30
TABLE 10: SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME	31
TABLE 11: ONTARIO TRADE	32
TABLE 12: ONTARIO DEFLATORS	33

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13: QUARTERLY DATA, 2001:1-2004:3	34
TABLE 14: ANNUAL DATA, 2000-2003	38

Historical tables, both annual and quarterly, from 1981 are available on request by e-mailing Macroeconomics@fin.gov.on.ca

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED**TABLE 1***Seasonally adjusted data at annual rates, millions of dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Wages, salaries and supplementary labour income (domestic basis)	241,206 0.9	242,941 0.7	243,733 0.3	243,876 0.1	246,751 1.2	249,889 1.3	252,904 1.2	255,360 1.0
2. Corporation profits before taxes	54,211 -6.1	54,081 -0.2	46,839 -13.4	42,633 -9.0	51,369 20.5	57,616 12.2	63,920 10.9	66,667 4.3
3. Interest and miscellaneous investment income	18,388 5.3	17,531 -4.7	16,261 -7.2	16,024 -1.5	16,329 1.9	16,660 2.0	17,348 4.1	17,971 3.6
4. Accrued net income of farm operators from farm production	215 90.3	264 22.8	330 25.0	171 -48.2	181 5.8	136 -24.9	221 62.5	394 78.3
5. Net income of non-farm unincorporated business, including rent	28,273 -1.7	28,776 1.8	29,348 2.0	30,023 2.3	30,667 2.1	31,404 2.4	31,846 1.4	32,155 1.0
6. Inventory valuation adjustment	-598	127	750	801	-1,361	-971	-1,928	-1,056
7. Indirect taxes less subsidies	56,326 -2.3	58,637 4.1	60,824 3.7	61,853 1.7	62,236 0.6	62,406 0.3	61,832 -0.9	60,462 -2.2
8. Capital consumption allowances	55,484 5.3	54,536 -1.7	54,623 0.2	55,041 0.8	55,692 1.2	58,443 4.9	58,186 -0.4	59,919 3.0
9. Statistical discrepancy	-872	196	1,048	1,824	1,617	1,638	837	485
10. Gross Domestic Product at market prices	452,633 0.6 2.5	457,089 1.0 4.0	453,756 -0.7 -2.9	452,246 -0.3 -1.3	463,481 2.5 10.3	477,221 3.0 12.4	485,166 1.7 6.8	492,357 1.5 6.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted data at annual rates, millions of dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Wages, salaries and supplementary labour income (domestic basis) [*]	257,741 0.9	257,986 0.1	258,949 0.4	261,532 1.0	264,544 1.2	267,698 1.2	269,988 0.9	-
2. Corporation profits before taxes	64,795 -2.8	57,586 -11.1	56,565 -1.8	56,462 -0.2	60,194 6.6	64,415 7.0	65,285 1.4	-
3. Interest and miscellaneous investment income	17,636 -1.9	17,152 -2.7	17,300 0.9	16,544 -4.4	17,229 4.1	17,667 2.5	18,046 2.1	-
4. Accrued net income of farm operators from farm production	130 -67.0	43 -66.9	-53 -	-48 -	26 -	22 -15.4	15 -31.8	-
5. Net income of non-farm unincorporated business, including rent	32,306 0.5	32,566 0.8	32,885 1.0	33,119 0.7	33,419 0.9	34,071 2.0	34,257 0.5	-
6. Inventory valuation adjustment	1,567	5,073	1,485	1,595	-1,159	-2,123	727	-
7. Indirect taxes less subsidies	60,621 0.3	60,786 0.3	62,296 2.5	63,653 2.2	64,129 0.7	65,680 2.4	66,519 1.3	-
8. Capital consumption allowances	60,531 1.0	61,017 0.8	61,416 0.7	61,972 0.9	62,801 1.3	64,045 2.0	65,012 1.5	-
9. Statistical discrepancy	1,274	273	1,009	2,240	1,387	1,627	1,288	-
10. Gross Domestic Product at market prices	496,601 0.9	492,482 -0.8	491,852 -0.1	497,069 1.1	502,570 1.1	513,102 2.1	521,137 1.6	-
	* 3.5	-3.3	-0.5	4.3	4.5	8.6	6.4	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted data at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	247,588 0.9	250,748 1.3	251,214 0.2	254,017 1.1	258,122 1.6	262,459 1.7	266,647 1.6	271,336 1.8
2. Durable goods	33,435 2.6	33,127 -0.9	32,742 -1.2	34,911 6.6	35,532 1.8	35,850 0.9	36,092 0.7	36,930 2.3
3. Semi-durable goods	22,077 -0.2	22,355 1.3	21,833 -2.3	22,279 2.0	22,910 2.8	22,928 0.1	22,863 -0.3	23,063 0.9
4. Non-durable goods	55,273 -0.2	57,426 3.9	57,690 0.5	57,199 -0.9	58,418 2.1	58,725 0.5	60,702 3.4	62,303 2.6
5. Services	136,803 1.1	137,840 0.8	138,949 0.8	139,629 0.5	141,263 1.2	144,955 2.6	146,990 1.4	149,040 1.4
6. Government expenditure on goods and services:	84,461 1.1	85,855 1.7	87,212 1.6	88,808 1.8	89,457 0.7	91,687 2.5	93,936 2.5	96,024 2.2
7. Current expenditure	74,180 0.8	75,583 1.9	77,014 1.9	78,187 1.5	78,383 0.3	80,273 2.4	82,097 2.3	83,892 2.2
8. Capital expenditure	10,281 3.3	10,272 -0.1	10,198 -0.7	10,621 4.2	11,075 4.3	11,415 3.1	11,839 3.7	12,132 2.5
9. Business gross fixed capital formation:	69,784 2.4	70,422 0.9	70,992 0.8	70,658 -0.5	71,669 1.4	72,873 1.7	73,777 1.2	73,764 -0.0
10. Residential structures	23,940 2.6	23,846 -0.4	24,691 3.5	26,235 6.3	26,945 2.7	28,047 4.1	28,861 2.9	29,555 2.4
11. Non-residential structures	10,680 6.7	11,237 5.2	11,413 1.6	11,387 -0.2	11,285 -0.9	11,498 1.9	11,653 1.3	11,800 1.3
12. Machinery and equipment	35,164 1.1	35,340 0.5	34,888 -1.3	33,036 -5.3	33,439 1.2	33,328 -0.3	33,263 -0.2	32,410 -2.6
13. Exports of goods and services	320,032 -2.5	322,980 0.9	315,424 -2.3	310,940 -1.4	319,692 2.8	324,015 1.4	331,340 2.3	325,918 -1.6
14. DEDUCT: Imports of goods and services	271,831 -3.3	272,572 0.3	267,708 -1.8	262,177 -2.1	265,124 1.1	274,033 3.4	280,782 2.5	279,805 -0.3
15. Value of physical change in inventories:	1,712	-334	-2,334	-7,987	-8,423	1,926	1,009	5,316
16. Non-farm	1,681	-202	-2,178	-7,952	-8,552	1,585	1,408	4,622
17. Farm	6	-140	-149	-25	193	287	-310	645
18. Government	24	8	-7	-9	-63	53	-90	48
19. Statistical discrepancy	890	-8	-1,041	-2,012	-1,911	-1,703	-759	-193
20. Gross Domestic Product at market prices	452,633 0.6 2.5	457,089 1.0 4.0	453,756 -0.7 -2.9	452,246 -0.3 -1.3	463,481 2.5 10.3	477,221 3.0 12.4	485,166 1.7 6.8	492,357 1.5 6.1
21. Final domestic demand	401,833 1.2	407,026 1.3	409,418 0.6	413,484 1.0	419,249 1.4	427,019 1.9	434,360 1.7	441,125 1.6

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted data at annual rates, millions of dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Personal expenditure on consumer goods and services:	274,711 1.2	274,957 0.1	279,123 1.5	278,673 -0.2	283,656 1.8	285,927 0.8	288,735 1.0	-
2. Durable goods	36,509 -1.1	36,384 -0.3	36,990 1.7	34,458 -6.8	34,430 -0.1	33,721 -2.1	33,922 0.6	-
3. Semi-durable goods	23,255 0.8	23,359 0.4	23,703 1.5	23,307 -1.7	23,961 2.8	24,085 0.5	24,544 1.9	-
4. Non-durable goods	64,453 3.5	63,058 -2.2	64,162 1.8	64,934 1.2	66,629 2.6	67,626 1.5	68,704 1.6	-
5. Services	150,495 1.0	152,155 1.1	154,268 1.4	155,974 1.1	158,636 1.7	160,495 1.2	161,565 0.7	-
6. Government expenditure on goods and services:	97,590 1.6	98,982 1.4	100,592 1.6	103,076 2.5	104,692 1.6	106,139 1.4	107,182 1.0	-
7. Current expenditure	84,412 0.6	85,945 1.8	87,637 2.0	90,179 2.9	91,371 1.3	92,789 1.6	93,869 1.2	-
8. Capital expenditure	13,178 8.6	13,037 -1.1	12,955 -0.6	12,897 -0.4	13,321 3.3	13,351 0.2	13,313 -0.3	-
9. Business gross fixed capital formation:	73,850 0.1	73,975 0.2	76,904 4.0	78,602 2.2	79,060 0.6	81,948 3.7	83,891 2.4	-
10. Residential structures	29,168 -1.3	29,998 2.8	31,600 5.3	33,474 5.9	32,836 -1.9	34,436 4.9	36,042 4.7	-
11. Non-residential structures	11,902 0.9	11,536 -3.1	11,345 -1.7	11,113 -2.0	11,299 1.7	11,515 1.9	11,674 1.4	-
12. Machinery and equipment	32,780 1.1	32,441 -1.0	33,960 4.7	34,015 0.2	34,925 2.7	35,998 3.1	36,176 0.5	-
13. Exports of goods and services	322,298 -1.1	309,171 -4.1	303,282 -1.9	309,832 2.2	316,085 2.0	334,925 6.0	331,739 -1.0	-
14. DEDUCT: Imports of goods and services	276,645 -1.1	269,149 -2.7	264,578 -1.7	274,048 3.6	278,768 1.7	293,328 5.2	296,583 1.1	-
15. Value of physical change in inventories:	6,133	4,684	-2,645	3,405	-767	-882	7,461	-
16. Non-farm	6,522	4,952	-2,947	2,833	-1,205	-1,136	7,248	-
17. Farm	-408	-257	298	563	307	211	148	-
18. Government	19	-12	4	9	131	42	65	-
19. Statistical discrepancy	-1,334	-136	-824	-2,471	-1,387	-1,627	-1,288	-
20. Gross Domestic Product at market prices	496,601 0.9 3.5	492,482 -0.8 -3.3	491,852 -0.1 -0.5	497,069 1.1 4.3	502,570 1.1 4.5	513,102 2.1 8.6	521,137 1.6 6.4	-
21. Final domestic demand	446,152 1.1	447,914 0.4	456,619 1.9	460,352 0.8	467,407 1.5	474,014 1.4	479,809 1.2	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 3***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	231,446 0.7	232,833 0.6	233,307 0.2	236,554 1.4	238,964 1.0	240,895 0.8	241,915 0.4	245,718 1.6
2. Durable goods	33,718 3.4	33,484 -0.7	33,092 -1.2	35,594 7.6	36,254 1.9	36,351 0.3	36,470 0.3	37,633 3.2
3. Semi-durable goods	20,882 -1.3	21,423 2.6	20,970 -2.1	21,285 1.5	22,162 4.1	21,844 -1.4	21,569 -1.3	21,989 1.9
4. Non-durable goods	49,375 -0.8	49,844 1.0	50,475 1.3	50,814 0.7	51,415 1.2	51,038 -0.7	51,153 0.2	52,519 2.7
5. Services	127,596 0.8	128,194 0.5	128,869 0.5	128,921 0.0	129,274 0.3	131,890 2.0	133,032 0.9	133,965 0.7
6. Government expenditure on goods and services:	79,260 0.8	80,893 2.1	81,493 0.7	82,706 1.5	82,532 -0.2	84,093 1.9	85,192 1.3	86,395 1.4
7. Current expenditure	69,203 0.3	70,853 2.4	71,468 0.9	72,265 1.1	71,720 -0.8	72,908 1.7	73,679 1.1	74,550 1.2
8. Capital expenditure	10,057 4.0	10,040 -0.2	10,026 -0.1	10,441 4.1	10,812 3.5	11,185 3.5	11,514 2.9	11,845 2.9
9. Business gross fixed capital formation:	67,044 2.4	66,878 -0.2	67,853 1.5	67,521 -0.5	67,247 -0.4	67,808 0.8	69,001 1.8	68,628 -0.5
10. Residential structures	21,810 2.0	21,325 -2.2	22,070 3.5	23,231 5.3	23,281 0.2	24,032 3.2	24,764 3.0	25,004 1.0
11. Non-residential structures	9,500 8.4	9,960 4.8	10,202 2.4	10,182 -0.2	9,965 -2.1	10,085 1.2	10,134 0.5	10,196 0.6
12. Machinery and equipment	35,782 0.8	35,548 -0.7	35,446 -0.3	33,880 -4.4	33,712 -0.5	33,336 -1.1	33,682 1.0	32,945 -2.2
13. Exports of goods and services	305,445 -2.9	307,822 0.8	304,168 -1.2	302,365 -0.6	307,002 1.5	309,942 1.0	314,062 1.3	307,619 -2.1
14. DEDUCT: Imports of goods and services	249,452 -4.5	250,109 0.3	247,373 -1.1	243,262 -1.7	242,480 -0.3	252,293 4.0	256,600 1.7	256,651 0.0
15. Value of physical change in inventories:	-433	-250	-2,636	-3,605	-4,680	643	1,634	4,728
16. Non-farm	-729	-333	-2,348	-3,270	-4,479	457	1,943	3,854
17. Farm	272	75	-281	-327	-141	134	-227	826
18. Government	24	8	-7	-9	-61	52	-83	48
19. Statistical discrepancy	850	-7	-994	-1,921	-1,823	-1,625	-725	-185
20. Gross Domestic Product at market prices	434,243 0.2 0.9	438,418 1.0 3.9	436,617 -0.4 -1.6	441,122 1.0 4.2	447,413 1.4 5.8	450,421 0.7 2.7	455,482 1.1 4.6	456,408 0.2 0.8
21. Final domestic demand	377,720 1.0	380,584 0.8	382,643 0.5	386,781 1.1	388,732 0.5	392,770 1.0	396,062 0.8	400,684 1.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 3

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Personal expenditure on consumer goods and services:	247,265 0.6	249,095 0.7	251,381 0.9	250,888 -0.2	254,189 1.3	254,488 0.1	256,634 0.8	-
2. Durable goods	37,105 -1.4	37,037 -0.2	37,915 2.4	35,439 -6.5	35,585 0.4	34,815 -2.2	35,282 1.3	-
3. Semi-durable goods	22,345 1.6	22,617 1.2	22,984 1.6	22,342 -2.8	22,984 2.9	23,189 0.9	23,840 2.8	-
4. Non-durable goods	52,972 0.9	52,933 -0.1	52,577 -0.7	53,769 2.3	54,524 1.4	54,591 0.1	54,876 0.5	-
5. Services	135,144 0.9	136,721 1.2	138,031 1.0	139,376 1.0	141,113 1.2	141,808 0.5	142,632 0.6	-
6. Government expenditure on goods and services:	87,766 1.6	89,364 1.8	89,115 -0.3	91,075 2.2	92,249 1.3	92,592 0.4	92,646 0.1	-
7. Current expenditure	75,196 0.9	76,613 1.9	76,352 -0.3	78,171 2.4	79,057 1.1	79,590 0.7	79,707 0.1	-
8. Capital expenditure	12,571 6.1	12,750 1.4	12,763 0.1	12,904 1.1	13,211 2.4	12,987 -1.7	12,914 -0.6	-
9. Business gross fixed capital formation:	68,621 -0.0	69,591 1.4	72,196 3.7	74,384 3.0	74,200 -0.2	75,353 1.6	77,292 2.6	-
10. Residential structures	24,300 -2.8	24,730 1.8	25,475 3.0	26,947 5.8	26,092 -3.2	26,770 2.6	27,781 3.8	-
11. Non-residential structures	10,181 -0.1	9,874 -3.0	9,636 -2.4	9,377 -2.7	9,411 0.4	9,413 0.0	9,408 -0.1	-
12. Machinery and equipment	33,758 2.5	34,703 2.8	36,884 6.3	37,947 2.9	38,875 2.4	39,291 1.1	40,179 2.3	-
13. Exports of goods and services	306,861 -0.2	308,248 0.5	302,855 -1.7	313,588 3.5	314,574 0.3	322,646 2.6	320,858 -0.6	-
14. DEDUCT: Imports of goods and services	254,850 -0.7	261,741 2.7	257,576 -1.6	272,257 5.7	271,757 -0.2	276,706 1.8	284,007 2.6	-
15. Value of physical change in inventories:	5,196	4,516	-1,011	4,867	7	-627	8,535	-
16. Non-farm	5,217	4,522	-1,108	4,430	-458	-875	8,181	-
17. Farm	-41	7	93	429	500	194	325	-
18. Government	19	-12	4	9	-35	54	29	-
19. Statistical discrepancy	-1,286	-131	-795	-2,382	-1,281	-1,485	-1,169	-
20. Gross Domestic Product at market prices	460,298 0.9 3.5	459,768 -0.1 -0.5	456,992 -0.6 -2.4	462,163 1.1 4.6	464,190 0.4 1.8	468,398 0.9 3.7	472,995 1.0 4.0	-
21. Final domestic demand	403,586 0.7	407,965 1.1	412,578 1.1	416,196 0.9	420,535 1.0	422,296 0.4	426,372 1.0	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

		2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1.	Wages, salaries and supplementary labour income (national basis)	238,436 1.0	240,063 0.7	240,775 0.3	239,714 -0.4	243,321 1.5	246,751 1.4	250,079 1.3	252,685 1.0
2.	Net income of farm operators from farm production	215 90.3	264 22.8	330 25.0	171 -48.2	181 5.8	136 -24.9	221 62.5	394 78.3
3.	Net income of non-farm unincorporated business, including rent	28,273 -1.7	28,776 1.8	29,348 2.0	30,023 2.3	30,667 2.1	31,404 2.4	31,846 1.4	32,155 1.0
4.	Interest, dividends and miscellaneous investment income	47,758 -1.2	47,232 -1.1	46,521 -1.5	45,373 -2.5	44,613 -1.7	44,452 -0.4	43,945 -1.1	43,382 -1.3
5.	Current transfers from government, corporations and non-residents	45,284 8.6	43,849 -3.2	44,589 1.7	44,990 0.9	45,414 0.9	45,059 -0.8	45,352 0.7	46,367 2.2
6.	Equals: Personal income	359,966 1.4	360,184 0.1	361,563 0.4	360,271 -0.4	364,196 1.1	367,802 1.0	371,443 1.0	374,983 1.0
7.	Deduct: Personal direct taxes	60,453 3.4	62,339 3.1	63,143 1.3	63,249 0.2	60,865 -3.8	59,668 -2.0	59,386 -0.5	60,333 1.6
8.	Other current transfers to government	23,519 3.8	23,836 1.3	24,154 1.3	24,447 1.2	24,848 1.6	25,408 2.3	25,775 1.4	26,193 1.6
9.	Equals: Personal disposable income	275,994 0.7	274,009 -0.7	274,266 0.1	272,575 -0.6	278,483 2.2	282,726 1.5	286,282 1.3	288,457 0.8
10.	Deduct: Personal expenditure on consumer goods and services	247,588 0.9	250,748 1.3	251,214 0.2	254,017 1.1	258,122 1.6	262,459 1.7	266,647 1.6	271,336 1.8
11.	Current transfers to corporations	5,060 -3.4	5,256 3.9	4,918 -6.4	4,698 -4.5	4,508 -4.0	4,380 -2.8	4,581 4.6	4,759 3.9
12.	Current transfers to non-residents	797 10.4	728 -8.7	850 16.8	873 2.7	955 9.4	898 -6.0	975 8.6	976 0.1
13.	Equals: Personal saving	22,549 -0.4	17,277 -23.4	17,284 0.0	12,987 -24.9	14,898 14.7	14,989 0.6	14,079 -6.1	11,386 -19.1
14.	Personal saving rate (percent)	8.2	6.3	6.3	4.8	5.4	5.3	4.9	4.0
15.	Real personal disposable income * (millions of chained (1997) dollars)	257,999 0.5	254,432 -1.4	254,716 0.1	253,836 -0.3	257,814 1.6	259,498 0.7	259,728 0.1	261,222 0.6
16.	Population (thousands)	11,774 0.2	11,828 0.5	11,898 0.6	11,965 0.6	11,987 0.2	12,037 0.4	12,102 0.5	12,153 0.4
17.	Personal disposable income per capita (dollars)	23,440 0.5	23,165 -1.2	23,052 -0.5	22,780 -1.2	23,232 2.0	23,488 1.1	23,656 0.7	23,735 0.3
18.	Real personal disposable income per capita (chained (1997) dollars)	21,912 0.3	21,510 -1.8	21,409 -0.5	21,214 -0.9	21,508 1.4	21,558 0.2	21,461 -0.4	21,494 0.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

		2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV	
1.	Wages, salaries and supplementary labour income (national basis)	254,532 0.7	254,851 0.1	255,762 0.4	258,591 1.1	261,567 1.2	264,685 1.2	266,949 0.9	-	-
2.	Net income of farm operators from farm production	130 -67.0	43 -66.9	-53 -	-48 -	26 -	22 -15.4	15 -31.8	-	-
3.	Net income of non-farm unincorporated business, including rent	32,306 0.5	32,566 0.8	32,885 1.0	33,119 0.7	33,419 0.9	34,071 2.0	34,257 0.5	-	-
4.	Interest, dividends and miscellaneous investment income	43,647 0.6	43,510 -0.3	43,979 1.1	43,092 -2.0	43,782 1.6	44,316 1.2	44,419 0.2	-	-
5.	Current transfers from government, corporations and non-residents	46,685 0.7	46,929 0.5	47,168 0.5	47,170 0.0	47,894 1.5	48,132 0.5	48,856 1.5	-	-
6.	Equals: Personal income	377,300 0.6	377,899 0.2	379,741 0.5	381,924 0.6	386,688 1.2	391,226 1.2	394,496 0.8	-	-
7.	Deduct: Personal direct taxes	60,306 -0.0	59,151 -1.9	61,075 3.3	61,240 0.3	62,530 2.1	63,589 1.7	66,245 4.2	-	-
8.	Other current transfers to government	26,508 1.2	26,741 0.9	27,177 1.6	27,714 2.0	27,887 0.6	27,771 -0.4	28,028 0.9	-	-
9.	Equals: Personal disposable income	290,486 0.7	292,007 0.5	291,489 -0.2	292,970 0.5	296,271 1.1	299,866 1.2	300,223 0.1	-	-
10.	Deduct: Personal expenditure on consumer goods and services	274,711 1.2	274,957 0.1	279,123 1.5	278,673 -0.2	283,656 1.8	285,927 0.8	288,735 1.0	-	-
11.	Current transfers to corporations	4,973 4.5	5,085 2.3	5,261 3.5	5,329 1.3	5,442 2.1	5,610 3.1	5,641 0.6	-	-
12.	Current transfers to non-residents	1,029 5.4	969 -5.8	1,025 5.8	1,037 1.2	1,060 2.2	1,079 1.8	1,098 1.8	-	-
13.	Equals: Personal saving	9,773 -14.2	10,996 12.5	6,080 -44.7	7,931 30.4	6,113 -22.9	7,250 18.6	4,749 -34.5	-	-
14.	Personal saving rate (percent)	3.4	3.8	2.1	2.7	2.1	2.4	1.6	-	-
15.	Real personal disposable income * (millions of chained (1997) dollars)	261,464 0.1	264,541 1.2	262,517 -0.8	263,759 0.5	265,494 0.7	266,895 0.5	266,845 -0.0	-	-
16.	Population (thousands)	12,167 0.1	12,207 0.3	12,257 0.4	12,300 0.3	12,312 0.1	12,347 0.3	12,393 0.4	-	-
17.	Personal disposable income per capita (dollars)	23,874 0.6	23,922 0.2	23,782 -0.6	23,820 0.2	24,063 1.0	24,286 0.9	24,226 -0.2	-	-
18.	Real personal disposable income per capita (chained (1997) dollars)	21,489 -0.0	21,671 0.8	21,418 -1.2	21,445 0.1	21,563 0.6	21,615 0.2	21,532 -0.4	-	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 5***Seasonally adjusted data at annual rates, millions of dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Exports of goods and services	320,032 -2.5	322,980 0.9	315,424 -2.3	310,940 -1.4	319,692 2.8	324,015 1.4	331,340 2.3	325,918 -1.6
2. Of which: International	234,673 -3.5	235,909 0.5	228,479 -3.1	226,024 -1.1	232,888 3.0	235,338 1.1	241,500 2.6	234,542 -2.9
3. Of which: Interprovincial	85,359 0.3	87,071 2.0	86,945 -0.1	84,916 -2.3	86,804 2.2	88,676 2.2	89,841 1.3	91,375 1.7
4. Imports of goods and services	271,831 -3.3	272,572 0.3	267,708 -1.8	262,177 -2.1	265,124 1.1	274,033 3.4	280,782 2.5	279,805 -0.3
5. Trade balance	48,201	50,408	47,715	48,764	54,568	49,982	50,558	46,112

*Note: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO TRADE**TABLE 5***Seasonally adjusted data at annual rates, millions of dollars*

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Exports of goods and services	322,298 -1.1	309,171 -4.1	303,282 -1.9	309,832 2.2	316,085 2.0	334,925 6.0	331,739 -1.0	- -
2. Of which: International	230,195 -1.9	218,415 -5.1	212,312 -2.8	217,601 2.5	223,044 2.5	239,345 7.3	234,174 -2.2	- -
3. Of which: Interprovincial	92,103 0.8	90,756 -1.5	90,970 0.2	92,231 1.4	93,041 0.9	95,580 2.7	97,564 2.1	- -
4. Imports of goods and services	276,645 -1.1	269,149 -2.7	264,578 -1.7	274,048 3.6	278,768 1.7	293,328 5.2	296,583 1.1	- -
5. Trade balance	45,653	40,022	38,704	35,785	37,317	41,597	35,156	-

*Note: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

Using seasonally adjusted data, chained (1997) dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	107.0 0.2	107.7 0.7	107.7 -0.0	107.4 -0.3	108.0 0.6	109.0 0.9	110.2 1.2	110.4 0.2
2. Durable goods	99.2 -0.7	98.9 -0.2	98.9 0.0	98.1 -0.9	98.0 -0.1	98.6 0.6	99.0 0.3	98.1 -0.8
3. Semi-durable goods	105.7 1.0	104.4 -1.3	104.1 -0.2	104.7 0.5	103.4 -1.2	105.0 1.5	106.0 1.0	104.9 -1.1
4. Non-durable goods	111.9 0.6	115.2 2.9	114.3 -0.8	112.6 -1.5	113.6 0.9	115.1 1.3	118.7 3.1	118.6 -0.0
5. Services	107.2 0.2	107.5 0.3	107.8 0.3	108.3 0.4	109.3 0.9	109.9 0.6	110.5 0.5	111.3 0.7
6. Government expenditure on goods and services:	106.6 0.3	106.1 -0.4	107.0 0.8	107.4 0.3	108.4 0.9	109.0 0.6	110.3 1.1	111.1 0.8
7. Current expenditure	107.2 0.5	106.7 -0.5	107.8 1.0	108.2 0.4	109.3 1.0	110.1 0.7	111.4 1.2	112.5 1.0
8. Capital expenditure	102.2 -0.6	102.3 0.1	101.7 -0.6	101.7 0.0	102.4 0.7	102.1 -0.4	102.8 0.8	102.4 -0.4
9. Business gross fixed capital formation:	104.1 0.1	105.3 1.2	104.6 -0.6	104.6 0.0	106.6 1.8	107.5 0.8	106.9 -0.5	107.5 0.5
10. Residential structures	109.8 0.6	111.8 1.9	111.9 0.1	112.9 0.9	115.7 2.5	116.7 0.8	116.5 -0.1	118.2 1.4
11. Non-residential structures	112.4 -1.6	112.8 0.3	111.9 -0.8	111.8 -0.0	113.3 1.3	114.0 0.7	115.0 0.9	115.7 0.6
12. Machinery and equipment	98.3 0.3	99.4 1.2	98.4 -1.0	97.5 -0.9	99.2 1.7	100.0 0.8	98.8 -1.2	98.4 -0.4
13. Exports of goods and services	104.8 0.4	104.9 0.1	103.7 -1.2	102.8 -0.8	104.1 1.3	104.5 0.4	105.5 0.9	105.9 0.4
14. DEDUCT: Imports of goods and services	109.0 1.3	109.0 0.0	108.2 -0.7	107.8 -0.4	109.3 1.4	108.6 -0.7	109.4 0.7	109.0 -0.4
15. Gross Domestic Product at market prices	104.2 0.4 1.5	104.3 0.0 0.1	103.9 -0.3 -1.3	102.5 -1.4 -5.3	103.6 1.0 4.2	106.0 2.3 9.4	106.5 0.5 2.2	107.9 1.3 5.2
16. Final domestic demand	106.4 0.2	106.9 0.5	107.0 0.0	106.9 -0.1	107.9 0.9	108.7 0.8	109.7 0.9	110.1 0.4

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

Using seasonally adjusted data, chained (1997) dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Personal expenditure on consumer goods and services:	111.1 0.6	110.4 -0.6	111.0 0.6	111.1 0.0	111.6 0.5	112.4 0.7	112.5 0.1	-
2. Durable goods	98.4 0.3	98.2 -0.2	97.6 -0.7	97.2 -0.3	96.8 -0.5	96.9 0.1	96.1 -0.7	-
3. Semi-durable goods	104.1 -0.8	103.3 -0.8	103.1 -0.1	104.3 1.2	104.2 -0.1	103.9 -0.4	103.0 -0.9	-
4. Non-durable goods	121.7 2.6	119.1 -2.1	122.0 2.4	120.8 -1.0	122.2 1.2	123.9 1.4	125.2 1.1	-
5. Services	111.4 0.1	111.3 -0.1	111.8 0.4	111.9 0.1	112.4 0.5	113.2 0.7	113.3 0.1	-
6. Government expenditure on goods and services:	111.2 0.0	110.8 -0.4	112.9 1.9	113.2 0.3	113.5 0.3	114.6 1.0	115.7 0.9	-
7. Current expenditure	112.3 -0.2	112.2 -0.1	114.8 2.3	115.4 0.5	115.6 0.2	116.6 0.9	117.8 1.0	-
8. Capital expenditure	104.8 2.4	102.3 -2.5	101.5 -0.7	99.9 -1.5	100.8 0.9	102.8 2.0	103.1 0.3	-
9. Business gross fixed capital formation:	107.6 0.1	106.3 -1.2	106.5 0.2	105.7 -0.8	106.6 0.8	108.8 2.1	108.5 -0.2	-
10. Residential structures	120.0 1.6	121.3 1.1	124.0 2.3	124.2 0.1	125.8 1.3	128.6 2.2	129.7 0.9	-
11. Non-residential structures	116.9 1.0	116.8 -0.1	117.7 0.8	118.5 0.7	120.1 1.3	122.3 1.9	124.1 1.4	-
12. Machinery and equipment	97.1 -1.3	93.5 -3.7	92.1 -1.5	89.6 -2.6	89.8 0.2	91.6 2.0	90.0 -1.7	-
13. Exports of goods and services	105.0 -0.9	100.3 -4.5	100.1 -0.2	98.8 -1.3	100.5 1.7	103.8 3.3	103.4 -0.4	-
14. DEDUCT: Imports of goods and services	108.6 -0.4	102.8 -5.3	102.7 -0.1	100.7 -2.0	102.6 1.9	106.0 3.3	104.4 -1.5	-
15. Gross Domestic Product at market prices	107.9 0.0	107.1 -0.7	107.6 0.5	107.6 -0.1	108.3 0.7	109.5 1.2	110.2 0.6	-
*	0.0	-2.8	1.9	-0.3	2.7	4.8	2.3	-
16. Final domestic demand	110.5 0.4	109.8 -0.7	110.7 0.8	110.6 -0.1	111.1 0.5	112.2 1.0	112.5 0.3	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 7

Millions of dollars

	2000	2001	2002	2003
1. Wages, salaries and supplementary labour income (domestic basis)	233,876 9.0	242,939 3.9	251,226 3.4	259,052 3.1
2. Corporation profits before taxes	54,356 9.3	49,441 -9.0	59,893 21.1	58,852 -1.7
3. Interest and miscellaneous investment income	18,252 7.8	17,051 -6.6	17,077 0.2	17,158 0.5
4. Accrued net income of farm operators from farm production	174 -25.0	245 40.8	233 -4.9	18 -92.3
5. Net income of non-farm unincorporated business, including rent	27,684 8.3	29,105 5.1	31,518 8.3	32,719 3.8
6. Inventory valuation adjustment	-1,156	270	-1,329	2,430
7. Indirect taxes less subsidies	56,975 3.7	59,410 4.3	61,734 3.9	61,839 0.2
8. Capital consumption allowances	51,198 6.3	54,921 7.3	58,060 5.7	61,234 5.5
9. Statistical discrepancy	-600	549	1,144	1,199
10. Gross Domestic Product at market prices	440,759 7.8	453,931 3.0	479,556 5.6	494,501 3.1

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 8

Millions of dollars

	2000	2001	2002	2003
1. Personal expenditure on consumer goods and services:	239,681 7.2	250,892 4.7	264,641 5.5	276,866 4.6
2. Durable goods	33,081 6.1	33,554 1.4	36,101 7.6	36,085 -0.0
3. Semi-durable goods	21,294 6.4	22,136 4.0	22,941 3.6	23,406 2.0
4. Non-durable goods	53,405 8.9	56,897 6.5	60,037 5.5	64,152 6.9
5. Services	131,901 7.0	138,305 4.9	145,562 5.2	153,223 5.3
6. Government expenditure on goods and services:	82,335 7.7	86,584 5.2	92,776 7.2	100,060 7.9
7. Current expenditure	72,687 7.4	76,241 4.9	81,161 6.5	87,043 7.2
8. Capital expenditure	9,648 9.5	10,343 7.2	11,615 12.3	13,017 12.1
9. Business gross fixed capital formation:	68,135 4.3	70,464 3.4	73,021 3.6	75,833 3.9
10. Residential structures	21,787 10.4	24,678 13.3	28,352 14.9	31,060 9.6
11. Non-residential structures	11,039 -6.6	11,179 1.3	11,559 3.4	11,474 -0.7
12. Machinery and equipment	35,309 4.6	34,607 -2.0	33,110 -4.3	33,299 0.6
13. Exports of goods and services	320,536 9.7	317,344 -1.0	325,241 2.5	311,146 -4.3
14. DEDUCT: Imports of goods and services	274,513 10.2	268,572 -2.2	274,936 2.4	271,105 -1.4
15. Value of physical change in inventories:	3,983	-2,236	-43	2,894
16. Non-farm	4,141	-2,163	-234	2,840
17. Farm	-165	-77	204	49
18. Government	7	4	-13	5
19. Statistical discrepancy	603	-543	-1,142	-1,191
20. Gross Domestic Product at market prices	440,759 7.8	453,931 3.0	479,556 5.6	494,501 3.1
21. Final domestic demand	390,151 6.8	407,940 4.6	430,438 5.5	452,759 5.2

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 9***Millions of chained (1997) dollars*

	2000	2001	2002	2003
1. Personal expenditure on consumer goods and services:	227,244 4.9	233,535 2.8	241,873 3.6	249,657 3.2
2. Durable goods	33,231 7.0	33,972 2.2	36,677 8.0	36,874 0.5
3. Semi-durable goods	20,528 5.7	21,140 3.0	21,891 3.6	22,572 3.1
4. Non-durable goods	49,107 3.7	50,127 2.1	51,531 2.8	53,063 3.0
5. Services	124,472 4.8	128,395 3.2	132,040 2.8	137,318 4.0
6. Government expenditure on goods and services:	77,803 3.6	81,088 4.2	84,553 4.3	89,330 5.6
7. Current expenditure	68,306 3.2	70,947 3.9	73,214 3.2	76,583 4.6
8. Capital expenditure	9,497 6.7	10,141 6.8	11,339 11.8	12,747 12.4
9. Business gross fixed capital formation:	66,294 3.0	67,324 1.6	68,171 1.3	71,198 4.4
10. Residential structures	20,145 7.1	22,109 9.7	24,270 9.8	25,363 4.5
11. Non-residential structures	9,991 -11.8	9,961 -0.3	10,095 1.3	9,767 -3.2
12. Machinery and equipment	36,244 5.9	35,164 -3.0	33,419 -5.0	35,823 7.2
13. Exports of goods and services	312,492 7.8	304,950 -2.4	309,656 1.5	307,888 -0.6
14. DEDUCT: Imports of goods and services	259,584 7.3	247,549 -4.6	252,006 1.8	261,606 3.8
15. Value of physical change in inventories:	4,501	-1,731	581	3,392
16. Non-farm	4,610	-1,670	444	3,265
17. Farm	-116	-65	148	122
18. Government	7	4	-11	5
19. Statistical discrepancy	582	-518	-1,089	-1,149
20. Gross Domestic Product at market prices	429,105 5.9	437,600 2.0	452,431 3.4	459,805 1.6
21. Final domestic demand	371,316 4.3	381,932 2.9	394,562 3.3	410,081 3.9

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 10

Millions of dollars

		2000	2001	2002	2003
1.	Wages, salaries and supplementary labour income (national basis)	230,626 8.9	239,747 4.0	248,209 3.5	255,934 3.1
2.	Net income of farm operators from farm production	174 -25.0	245 40.8	233 -4.9	18 -92.3
3.	Net income of non-farm unincorporated business, including rent	27,684 8.3	29,105 5.1	31,518 8.3	32,719 3.8
4.	Interest, dividends and miscellaneous investment income	47,460 6.5	46,721 -1.6	44,098 -5.6	43,557 -1.2
5.	Current transfers from government, corporations and non-residents	41,709 5.4	44,678 7.1	45,548 1.9	46,988 3.2
6.	Equals: Personal income	347,653 8.1	360,496 3.7	369,606 2.5	379,216 2.6
7.	Deduct: Personal direct taxes	59,883 5.1	62,296 4.0	60,063 -3.6	60,443 0.6
8.	Other current transfers to government	22,454 9.0	23,989 6.8	25,556 6.5	27,035 5.8
9.	Equals: Personal disposable income	265,316 8.7	274,211 3.4	283,987 3.6	291,738 2.7
10.	Deduct: Personal expenditure on consumer goods and services	239,681 7.2	250,892 4.7	264,641 5.5	276,866 4.6
11.	Current transfers to corporations	4,857 18.9	4,983 2.6	4,557 -8.5	5,162 13.3
12.	Current transfers to non-residents	725 11.5	812 12.0	951 17.1	1,015 6.7
13.	Equals: Personal saving	20,053 26.6	17,524 -12.6	13,838 -21.0	8,695 -37.2
14.	Personal saving rate (percent)	7.6	6.4	4.9	3.0
15.	Real personal disposable income * (millions of chained (1997) dollars)	251,543 6.3	255,246 1.5	259,566 1.7	263,070 1.4
16.	Population (thousands)	11,685 1.6	11,898 1.8	12,102 1.7	12,257 1.3
17.	Personal disposable income per capita (dollars)	22,705 7.0	23,047 1.5	23,466 1.8	23,802 1.4
18.	Real personal disposable income per capita (chained (1997) dollars)	21,526 4.7	21,453 -0.3	21,448 -0.0	21,463 0.1

Notes: Per cent change from previous year is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 11***Millions of dollars*

	2000	2001	2002	2003
1. Exports of goods and services	320,536 9.7	317,344 -1.0	325,241 2.5	311,146 -4.3
2. Of which: International	237,395 9.5	231,271 -2.6	236,067 2.1	219,631 -7.0
3. Of which: Interprovincial	83,141 10.2	86,073 3.5	89,174 3.6	91,515 2.6
4. Imports of goods and services	274,513 10.2	268,572 -2.2	274,936 2.4	271,105 -1.4
5. Trade balance	46,023	48,772	50,305	40,041

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 12

Using chained (1997) dollars

	2000	2001	2002	2003
1. Personal expenditure on consumer goods and services:	105.5 2.2	107.4 1.9	109.4 1.8	110.9 1.4
2. Durable goods	99.6 -0.8	98.8 -0.8	98.4 -0.4	97.9 -0.6
3. Semi-durable goods	103.7 0.7	104.7 1.0	104.8 0.1	103.7 -1.1
4. Non-durable goods	108.7 5.0	113.5 4.4	116.5 2.6	120.9 3.8
5. Services	106.0 2.1	107.7 1.7	110.2 2.3	111.6 1.2
6. Government expenditure on goods and services:	105.8 3.9	106.8 0.9	109.7 2.7	112.0 2.1
7. Current expenditure	106.4 4.0	107.5 1.0	110.8 3.1	113.6 2.5
8. Capital expenditure	101.6 2.6	102.0 0.4	102.4 0.4	102.1 -0.3
9. Business gross fixed capital formation:	102.8 1.3	104.7 1.8	107.1 2.3	106.5 -0.5
10. Residential structures	108.1 3.1	111.6 3.2	116.8 4.7	122.4 4.8
11. Non-residential structures	110.7 6.1	112.2 1.3	114.5 2.0	117.5 2.6
12. Machinery and equipment	97.4 -1.3	98.4 1.0	99.1 0.7	93.1 -6.1
13. Exports of goods and services	102.6 1.7	104.1 1.5	105.0 0.9	101.1 -3.8
14. DEDUCT: Imports of goods and services	105.7 2.8	108.5 2.6	109.1 0.6	103.7 -5.0
15. Gross Domestic Product at market prices	102.7 1.7	103.7 1.0	106.0 2.2	107.5 1.5
16. Final domestic demand	105.1 2.4	106.8 1.7	109.1 2.1	110.4 1.2

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Goods Producing Industries	124,571 -2.1	125,075 0.4	122,019 -2.4	121,731 -0.2	126,067 3.6	127,302 1.0	128,336 0.8	127,922 -0.3
2. Primary	7,647 0.5	7,628 -0.2	7,578 -0.6	7,714 1.8	7,567 -1.9	7,750 2.4	7,874 1.6	8,051 2.2
3. Agriculture, Forestry, Fishing & Hunting	4,509 -0.4	4,537 0.6	4,441 -2.1	4,420 -0.5	4,335 -1.9	4,539 4.7	4,681 3.1	4,804 2.6
4. Mining	3,196 2.1	3,195 -0.0	3,223 0.9	3,314 2.8	3,261 -1.6	3,243 -0.5	3,212 -1.0	3,269 1.8
5. Utilities	9,738 -0.9	10,119 3.9	9,985 -1.3	10,325 3.4	10,184 -1.4	10,376 1.9	9,969 -3.9	9,931 -0.4
6. Electric Power	7,588 -0.3	7,994 5.4	7,933 -0.8	8,252 4.0	8,064 -2.3	8,098 0.4	7,838 -3.2	7,665 -2.2
7. Natural Gas, Water and Other	2,146 -2.9	2,122 -1.1	2,051 -3.3	2,074 1.1	2,117 2.1	2,271 7.3	2,119 -6.7	2,251 6.2
8. Construction	19,109 4.2	19,575 2.4	20,266 3.5	20,895 3.1	21,327 2.1	20,894 -2.0	20,975 0.4	21,024 0.2
9. Residential Buildings	7,582 5.0	7,571 -0.1	7,820 3.3	8,157 4.3	8,633 5.8	8,423 -2.4	8,704 3.3	8,455 -2.9
10. Non-Residential Buildings and Engineering	11,530 3.6	12,000 4.1	12,442 3.7	12,742 2.4	12,704 -0.3	12,474 -1.8	12,270 -1.6	12,557 2.3
11. Manufacturing	88,095 -3.9	87,539 -0.6	83,968 -4.1	82,404 -1.9	86,442 4.9	88,048 1.9	89,488 1.6	89,245 -0.3
12. Food, Beverage, & Tobacco Products	9,708 2.0	9,739 0.3	9,693 -0.5	9,707 0.1	9,811 1.1	9,741 -0.7	9,702 -0.4	9,616 -0.9
13. Textile, Clothing, & Leather Products	2,246 -7.2	2,138 -4.8	1,965 -8.1	1,888 -3.9	2,067 9.5	2,030 -1.8	2,003 -1.3	1,989 -0.7
14. Wood Products and Furniture	4,983 -0.4	4,912 -1.4	4,756 -3.2	4,801 0.9	5,064 5.5	5,036 -0.6	5,240 4.0	5,249 0.2
15. Paper Products and Printing	6,701 -1.4	6,450 -3.8	6,528 1.2	6,494 -0.5	6,640 2.2	6,805 2.5	6,771 -0.5	6,752 -0.3
16. Chemical and Petroleum Products	7,873 -0.0	8,248 4.8	8,128 -1.5	8,420 3.6	8,606 2.2	8,611 0.1	8,558 -0.6	8,484 -0.9
17. Plastic and Rubber Products	6,072 -2.1	5,742 -5.4	5,296 -7.8	5,059 -4.5	5,729 13.2	6,066 5.9	6,296 3.8	6,551 4.0
18. Primary Metal & Fabricated Metal Products	12,360 -4.8	12,344 -0.1	12,112 -1.9	11,894 -1.8	12,430 4.5	12,745 2.5	12,638 -0.8	12,565 -0.6
19. Machinery	6,505 -2.3	6,397 -1.7	6,157 -3.8	5,988 -2.7	6,157 2.8	6,331 2.8	6,371 0.6	6,816 7.0

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
20. Electrical and Electronic Products	9,740 -15.9	8,870 -8.9	7,394 -16.6	6,315 -14.6	6,965 10.3	7,137 2.5	6,854 -4.0	6,769 -1.2
21. Transportation Equipment	17,777 -5.7	18,459 3.8	17,761 -3.8	17,500 -1.5	18,306 4.6	18,752 2.4	19,793 5.6	18,958 -4.2
22. Auto Industry (Vehicles & Parts)	16,063 -6.6	16,733 4.2	16,253 -2.9	15,926 -2.0	16,605 4.3	17,237 3.8	18,203 5.6	17,714 -2.7
23. Other Transportation Equipment	1,672 8.6	1,669 -0.2	1,576 -5.6	1,605 1.9	1,687 5.1	1,509 -10.5	1,525 1.0	1,330 -12.8
24. Non-metallic Mineral Products & Other Manufacturing	4,204 1.0	4,034 -4.0	3,742 -7.2	3,817 2.0	3,977 4.2	4,000 0.6	4,210 5.2	4,264 1.3
25. Services Producing Industries	277,724 0.5	279,845 0.8	280,169 0.1	281,883 0.6	285,081 1.1	288,331 1.1	290,505 0.8	291,753 0.4
26. Wholesale Trade	26,482 -1.5	26,810 1.2	26,600 -0.8	26,093 -1.9	26,933 3.2	28,013 4.0	28,330 1.1	29,313 3.5
27. Retail Trade	20,686 1.0	20,804 0.6	20,739 -0.3	21,542 3.9	21,894 1.6	21,480 -1.9	21,328 -0.7	21,494 0.8
28. Transportation and Warehousing	16,214 2.1	16,374 1.0	16,653 1.7	17,027 2.2	17,017 -0.1	17,014 -0.0	16,836 -1.0	16,552 -1.7
29. Information & Culture (including Telecommunications)	16,772 1.4	17,254 2.9	17,627 2.2	18,209 3.3	18,359 0.8	18,340 -0.1	18,331 -0.0	18,260 -0.4
30. Finance, Insurance, Real Estate, Rental & Leasing	86,402 1.3	87,598 1.4	88,616 1.2	90,027 1.6	90,679 0.7	91,961 1.4	91,675 -0.3	91,176 -0.5
31. Professional and Administrative Services	31,172 -1.6	30,722 -1.4	29,720 -3.3	28,775 -3.2	29,849 3.7	30,792 3.2	31,865 3.5	32,717 2.7
32. Education	17,137 -0.4	17,031 -0.6	17,024 -0.0	16,899 -0.7	16,752 -0.9	16,828 0.5	16,773 -0.3	16,633 -0.8
33. Health Care and Social Services	21,751 -0.2	21,905 0.7	22,142 1.1	22,333 0.9	22,511 0.8	22,671 0.7	22,730 0.3	22,768 0.2
34. Arts, Entertainment & Recreation	3,736 1.5	3,718 -0.5	3,734 0.4	3,788 1.4	3,831 1.1	4,114 7.4	4,054 -1.5	4,110 1.4
35. Accommodation and Food	9,021 4.0	9,124 1.1	8,872 -2.8	9,047 2.0	9,148 1.1	9,140 -0.1	9,130 -0.1	9,063 -0.7
36. Other Services	9,296 1.0	9,367 0.8	9,296 -0.8	9,159 -1.5	9,285 1.4	9,401 1.3	9,629 2.4	9,637 0.1
37. Public Administration	19,434 0.3	19,554 0.6	19,514 -0.2	19,467 -0.2	19,438 -0.2	19,166 -1.4	20,466 6.8	20,708 1.2
38. Total Production	402,475 -0.4 -1.5	405,070 0.6 2.6	402,597 -0.6 -2.4	404,031 0.4 1.4	411,274 1.8 7.4	416,111 1.2 4.8	419,330 0.8 3.1	420,539 0.3 1.2

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Goods Producing Industries	129,168 1.0	127,206 -1.5	126,029 -0.9	129,640 2.9	129,035 -0.5	130,749 1.3	134,154 2.6	-
2. Primary	7,808 -3.0	7,654 -2.0	7,594 -0.8	7,774 2.4	7,848 1.0	7,839 -0.1	7,907 0.9	-
3. Agriculture, Forestry, Fishing & Hunting	4,610 -4.1	4,651 0.9	4,625 -0.6	4,630 0.1	4,686 1.2	4,634 -1.1	4,699 1.4	-
4. Mining	3,247 -0.7	3,037 -6.5	3,082 1.5	3,277 6.4	3,232 -1.4	3,293 1.9	3,309 0.5	-
5. Utilities	10,323 3.9	9,676 -6.3	9,674 -0.0	9,631 -0.5	9,811 1.9	9,550 -2.7	9,845 3.1	-
6. Electric Power	7,862 2.6	7,455 -5.2	7,511 0.8	7,507 -0.1	7,611 1.4	7,375 -3.1	7,631 3.5	-
7. Natural Gas, Water and Other	2,451 8.9	2,220 -9.4	2,169 -2.3	2,136 -1.5	2,201 3.0	2,175 -1.2	2,214 1.8	-
8. Construction	21,373 1.7	21,687 1.5	21,921 1.1	22,803 4.0	22,421 -1.7	22,291 -0.6	22,788 2.2	-
9. Residential Buildings	8,578 1.5	8,845 3.1	9,027 2.1	9,642 6.8	9,465 -1.8	9,612 1.6	10,176 5.9	-
10. Non-Residential Buildings and Engineering	12,783 1.8	12,840 0.5	12,899 0.5	13,170 2.1	12,960 -1.6	12,679 -2.2	12,602 -0.6	-
11. Manufacturing	89,761 0.6	88,158 -1.8	86,393 -2.0	88,750 2.7	88,331 -0.5	90,468 2.4	93,152 3.0	-
12. Food, Beverage, & Tobacco Products	9,659 0.5	9,499 -1.7	9,419 -0.8	9,495 0.8	9,583 0.9	9,736 1.6	9,976 2.5	-
13. Textile, Clothing, & Leather Products	1,928 -3.0	1,838 -4.7	1,782 -3.1	1,882 5.6	1,818 -3.4	1,827 0.5	1,784 -2.4	-
14. Wood Products and Furniture	5,402 2.9	5,360 -0.8	5,171 -3.5	5,252 1.6	5,230 -0.4	5,263 0.6	5,198 -1.2	-
15. Paper Products and Printing	6,936 2.7	6,916 -0.3	6,950 0.5	7,178 3.3	6,975 -2.8	7,058 1.2	7,264 2.9	-
16. Chemical and Petroleum Products	8,604 1.4	8,709 1.2	8,786 0.9	9,268 5.5	9,440 1.9	9,545 1.1	10,059 5.4	-
17. Plastic and Rubber Products	6,508 -0.6	6,043 -7.2	5,777 -4.4	5,901 2.1	5,886 -0.2	5,940 0.9	5,916 -0.4	-
18. Primary Metal & Fabricated Metal Products	12,727 1.3	12,404 -2.5	11,786 -5.0	12,425 5.4	11,881 -4.4	12,446 4.8	13,071 5.0	-
19. Machinery	6,453 -5.3	6,222 -3.6	5,939 -4.5	6,002 1.1	5,987 -0.3	6,201 3.6	6,499 4.8	-

*Notes: Ontario Production is measured as Gross Domestic Product at basic prices.**Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
20. Electrical and Electronic Products	7,041 4.0	6,974 -1.0	6,805 -2.4	7,108 4.5	7,045 -0.9	7,282 3.4	7,680 5.5	-
21. Transportation Equipment	19,051 0.5	18,893 -0.8	19,036 0.8	19,523 2.6	19,966 2.3	20,477 2.6	21,155 3.3	-
22. Auto Industry (Vehicles & Parts)	17,876 0.9	17,629 -1.4	17,850 1.3	18,415 3.2	18,727 1.7	19,178 2.4	19,737 2.9	-
23. Other Transportation Equipment	1,246 -6.3	1,244 -0.1	1,098 -11.8	1,145 4.3	1,134 -1.0	1,133 -0.0	1,119 -1.3	-
24. Non-metallic Mineral Products & Other Manufacturing	4,328 1.5	4,369 0.9	4,276 -2.1	4,274 -0.0	4,162 -2.6	4,365 4.9	4,318 -1.1	-
25. Services Producing Industries	293,637 0.6	294,457 0.3	294,925 0.2	298,333 1.2	301,337 1.0	304,643 1.1	306,009 0.4	-
26. Wholesale Trade	29,851 1.8	29,731 -0.4	29,163 -1.9	30,363 4.1	29,933 -1.4	30,979 3.5	31,159 0.6	-
27. Retail Trade	21,953 2.1	22,107 0.7	22,428 1.5	22,349 -0.4	22,644 1.3	22,624 -0.1	22,952 1.4	-
28. Transportation and Warehousing	16,753 1.2	16,767 0.1	16,959 1.1	17,510 3.2	17,607 0.6	17,791 1.0	17,951 0.9	-
29. Information & Culture (including Telecommunications)	18,648 2.1	18,938 1.6	18,976 0.2	19,138 0.9	19,309 0.9	19,616 1.6	19,631 0.1	-
30. Finance, Insurance, Real Estate, Rental & Leasing	91,326 0.2	92,755 1.6	93,626 0.9	94,334 0.8	95,828 1.6	96,936 1.2	97,127 0.2	-
31. Professional and Administrative Services	32,620 -0.3	32,482 -0.4	31,994 -1.5	31,470 -1.6	31,895 1.3	32,334 1.4	32,366 0.1	-
32. Education	16,620 -0.1	16,698 0.5	16,775 0.5	17,131 2.1	17,515 2.2	17,881 2.1	17,782 -0.6	-
33. Health Care and Social Services	23,125 1.6	23,223 0.4	23,609 1.7	23,871 1.1	24,032 0.7	24,062 0.1	24,500 1.8	-
34. Arts, Entertainment & Recreation	4,146 0.9	4,160 0.3	4,105 -1.3	4,179 1.8	4,113 -1.6	4,110 -0.1	4,060 -1.2	-
35. Accommodation and Food	8,875 -2.1	8,306 -6.4	8,459 1.8	8,737 3.3	8,761 0.3	8,762 0.0	8,726 -0.4	-
36. Other Services	9,633 -0.0	9,540 -1.0	9,485 -0.6	9,668 1.9	9,764 1.0	9,749 -0.1	9,711 -0.4	-
37. Public Administration	20,842 0.6	20,640 -1.0	20,219 -2.0	20,488 1.3	20,942 2.2	20,763 -0.9	21,071 1.5	-
38. Total Production	423,535 0.7 2.9	422,287 -0.3 -1.2	421,302 -0.2 -0.9	428,436 1.7 6.9	430,773 0.5 2.2	435,748 1.2 4.7	440,775 1.2 4.7	-

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of chained (1997) dollars

	2000	2001	2002	2003
1. Goods Producing Industries	126,173 6.3	123,349 -2.2	127,407 3.3	128,011 0.5
2. Primary	7,728 -0.9	7,642 -1.1	7,810 2.2	7,708 -1.3
Agriculture, Forestry and Fishing	4,671 -4.4	4,477 -4.2	4,590 2.5	4,629 0.8
Mining	3,091 2.8	3,232 4.6	3,246 0.4	3,161 -2.6
5. Utilities	9,878 -0.2	10,042 1.7	10,115 0.7	9,826 -2.9
6. Electric Power	7,754 -2.4	7,942 2.4	7,916 -0.3	7,584 -4.2
7. Natural Gas, Water and Other	2,118 8.8	2,098 -0.9	2,190 4.4	2,244 2.5
8. Construction	18,552 3.3	19,961 7.6	21,055 5.5	21,946 4.2
9. Residential Buildings	7,179 6.3	7,783 8.4	8,554 9.9	9,023 5.5
10. Non-Residential Buildings and Engineering	11,374 1.5	12,179 7.1	12,501 2.6	12,923 3.4
11. Manufacturing	89,873 8.5	85,502 -4.9	88,306 3.3	88,266 -0.0
12. Food, Beverage, & Tobacco Products	9,387 0.5	9,712 3.5	9,718 0.1	9,518 -2.1
13. Textile, Clothing, & Leather Products	2,216 18.3	2,059 -7.1	2,022 -1.8	1,858 -8.1
14. Wood Products and Furniture	4,739 18.3	4,863 2.6	5,147 5.8	5,296 2.9
15. Paper Products and Printing	6,294 14.2	6,543 4.0	6,742 3.0	6,995 3.7
16. Chemical and Petroleum Products	7,489 3.2	8,168 9.1	8,565 4.9	8,842 3.2
17. Plastic and Rubber Products	5,844 15.3	5,543 -5.2	6,160 11.1	6,057 -1.7
18. Primary Metal & Fabricated Metal Products	12,658 13.7	12,177 -3.8	12,595 3.4	12,336 -2.1
19. Machinery	6,531 17.5	6,262 -4.1	6,419 2.5	6,154 -4.1

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 14***Millions of chained (1997) dollars*

	2000	2001	2002	2003
20. Electrical and Electronic Products	10,965 24.7	8,080 -26.3	6,931 -14.2	6,982 0.7
21. Transportation Equipment	20,045 -2.3	17,874 -10.8	18,952 6.0	19,126 0.9
22. Auto Industry (Vehicles & Parts)	18,085 0.8	16,244 -10.2	17,440 7.4	17,943 2.9
23. Other Transportation Equipment	1,959 -24.2	1,630 -16.8	1,513 -7.2	1,183 -21.8
24. Non-metallic Mineral Products & Other Manufacturing	3,799 11.5	3,949 3.9	4,113 4.1	4,312 4.8
25. Services Producing Industries	270,122 6.0	279,905 3.6	288,918 3.2	295,338 2.2
26. Wholesale Trade	26,245 7.8	26,496 1.0	28,147 6.2	29,777 5.8
27. Retail Trade	19,962 7.2	20,943 4.9	21,549 2.9	22,209 3.1
28. Transportation and Warehousing	16,077 3.2	16,567 3.0	16,855 1.7	16,997 0.8
29. Information & Culture (including Telecommunications)	15,959 9.7	17,465 9.4	18,323 4.9	18,925 3.3
30. Finance, Insurance, Real Estate, Rental & Leasing	83,176 6.1	88,161 6.0	91,373 3.6	93,010 1.8
31. Professional and Administrative Services	30,179 12.8	30,098 -0.3	31,306 4.0	32,142 2.7
32. Education	17,006 -0.6	17,023 0.1	16,746 -1.6	16,806 0.4
33. Health Care and Social Services	21,476 3.7	22,033 2.6	22,670 2.9	23,457 3.5
34. Arts, Entertainment & Recreation	3,562 5.8	3,744 5.1	4,027 7.6	4,147 3.0
35. Accommodation and Food	8,694 1.2	9,016 3.7	9,120 1.2	8,594 -5.8
36. Other Services	8,975 5.6	9,279 3.4	9,488 2.2	9,581 1.0
37. Public Administration	19,165 2.8	19,492 1.7	19,944 2.3	20,548 3.0
38. Total Production	396,520 6.1	403,543 1.8	416,813 3.3	423,890 1.7

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

For further information on the *Ontario Economic Accounts*,
please contact us at:

Ministry of Finance
Macroeconomic Analysis & Policy Branch
Current Analysis Unit
6th Floor, Frost Building North
95 Grosvenor Street
Toronto, ON M7A 1Z1
416 325-0755

e-mail: macroeconomics@fin.gov.on.ca
website: <http://www.gov.on.ca/FIN/english/enghome.htm>

CARON
TR17
- B75

Government
Publications

April 2005

**Ontario
Ministry
of Finance**

**Fourth Quarter
of 2004**
(October, November,
December)

Ontario Economic Accounts



April 2005

Fourth Quarter of 2004

(October, November, December)

Ontario Economic Accounts



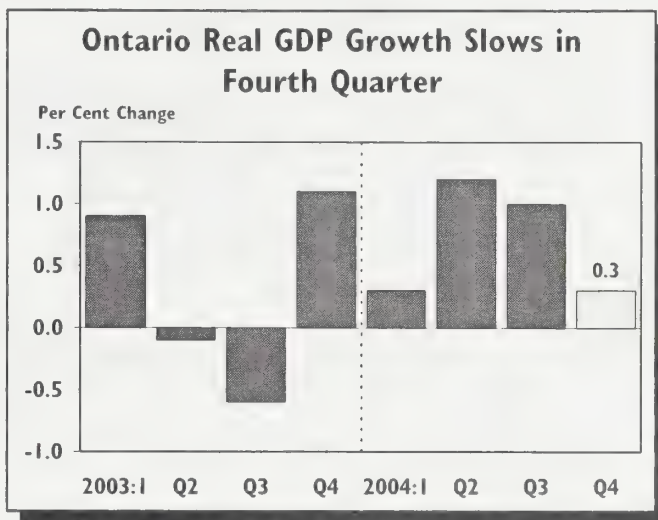
Ontario Ministry of Finance

Table of Contents

Fourth-Quarter Highlights	1
2004 Review	2
Demand and Incomes	5
Ontario Production By Industry	10
Ontario Economic Accounts: Summary 2000:1-2004:4	16
List of Tables	19

FOURTH-QUARTER HIGHLIGHTS: OCTOBER-DECEMBER 2004

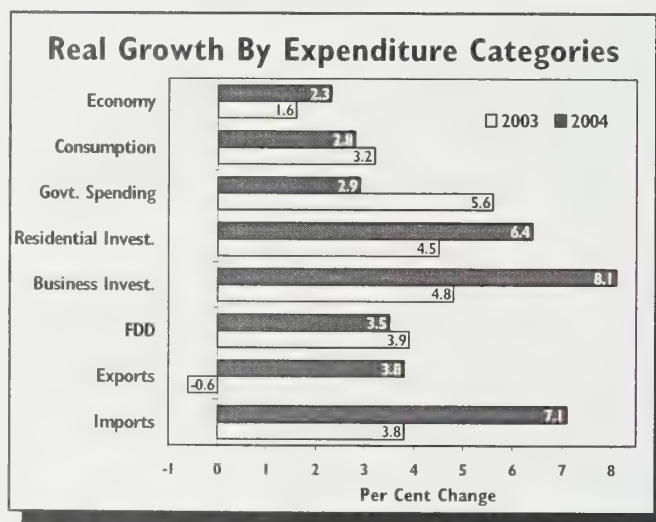
- ❑ Ontario's **real Gross Domestic Product** grew by 0.3% in the fourth (October to December) quarter of 2004, down from the 1.0% pace in the third quarter. Ontario's economy grew at a similar pace to the National economy which advanced 0.4% but lagged the strong U.S. performance of 0.9% in the fourth quarter.
- ❑ As in the previous quarter, growth was led by Ontario household and business spending and by a large build-up in business inventories. **Final domestic demand** increased by 0.9% in the fourth quarter, following a similar 1.0% advance in the third quarter. **Net trade** continued to dampen economic growth as imports remained strong, spurred on by healthy domestic demand and a rising dollar, while exports fell for the second consecutive quarter.
- ❑ The largest source of fourth quarter growth was **real consumer spending** which grew by 1.1% for the second consecutive quarter. Solid consumer spending on both durable and non-durable goods helped sustain growth. Motor vehicle purchases rose on a quarterly basis for the first time in over a year.
- ❑ A record build-up in **real non-farm inventories** also contributed to growth in the final quarter of 2004. After raising inventories by \$9.5 billion (1997 dollars) in the third quarter, Ontario manufacturers, wholesalers and retailers added a record \$12.0 billion to unsold stocks in the fourth quarter.
- ❑ **Real business investment** growth accelerated in the fourth quarter, with capital spending increasing by 2.9%, the strongest quarterly gain of the year. The advance, the eighth in a row, was due primarily to continuing growth in spending on **machinery and equipment** which grew by 3.4%. **Non-residential construction** rose 0.8%, the fastest growth of the year.
- ❑ **Real residential construction** investment fell by 1.2% in the final quarter of 2004. The decline follows strong third (+3.8%) and second quarter (+2.8%) gains which propelled real residential construction to record levels.



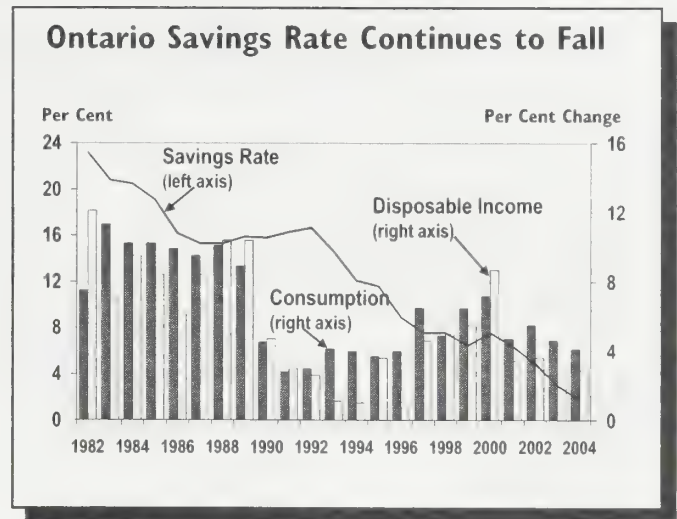
- ❑ **Real exports** fell 0.2% in the fourth quarter, their second consecutive quarterly decline. The strength of the Canadian dollar, which appreciated a further 7.1% in the quarter against its U.S. counterpart, continued to hamper exports. The strong Canadian currency also provided a stimulus to **real imports** which grew 1.9% in the final quarter of the year, after advancing 3.2% in the previous quarter.
- ❑ In **current dollars**, **GDP** grew by 1.2% in the fourth quarter, slightly slower than the 1.4% pace of the third quarter. Prices as measured by the **GDP implicit price index** increased by 0.8%.

2004 REVIEW

- ❑ Ontario's real GDP grew by 2.3% in 2004, up from 1.6% in 2003. Ontario's economic growth lagged both that of Canada (+2.8%) and the U.S. (+4.4%) in 2004.
- ❑ Final domestic demand - consumer spending, investment and government spending - remained strong in 2004, increasing by 3.5%, down slightly from the 3.9% pace in 2003.
- ❑ Consumer spending grew 2.8% in 2004, down from a 3.2% rate in 2003. Consumer spending was strong in all categories, with the exception of durable spending which fell for the first time since 1992, largely the result of a second consecutive year of lower motor vehicle sales.
- ❑ Ontario's household sector continued to benefit from solid labour income growth, up 3.9% in 2004, after a 3.1% advance in 2003. Contributing to the growth in labour income was a 1.7% increase in employment (or 108,000 jobs).



- ❑ The personal savings rate fell to its lowest point in over 50 years in 2004, slipping to just 1.8% from 3.0% in 2003, as consumer spending in current dollars (+4.1%) outpaced personal disposable income growth (+2.9%) for the fourth consecutive year.



- ❑ Real investment in residential structures increased by 6.4% in 2004, the sixth straight annual increase. Residential construction expenditures have grown at an average rate of 8.2% per year since 1998. The growth in 2004, brought investment to an all-time record level of \$27 billion (1997 dollars), \$10 billion higher than in 1998.
- ❑ For the second consecutive year, businesses investment in new plant and equipment grew strongly, with capital spending growing 8.1%. Investment in machinery and equipment rose 11.4%, the strongest increase in seven years. Spending on non-residential construction, though it picked up over the course of the year, fell 3.9% on an annual basis in 2004, after slipping 3.2% in 2003.
- ❑ Businesses increased inventories by \$4.6 billion in 2004, following increases of \$3.3 billion in 2003 and \$444 million in 2002. The build-up in 2004 was widespread with manufacturers, wholesalers and retailers all increasing levels of unsold stocks.
- ❑ Ontario real exports rebounded by a strong 3.8% in 2004, after declining 0.6% in 2003. The improved export performance was in part the result of strong U.S. demand, as economic growth south of the border accelerated to 4.4%, its strongest advance since 1999.
- ❑ Ontario's imports, stimulated by the strong dollar and rising domestic demand, grew by 7.1% in 2004, following a 3.8% gain in 2003.
- ❑ With imports continuing to outpace exports, Ontario's real trade surplus fell for the second consecutive year, narrowing to \$39.4 billion (1997 dollars) in 2004, its lowest annual level since 1998. As a result, net trade continued to be a significant drag on growth in 2004.

- In **current dollars**, GDP grew 4.3% in 2004, up from 3.1% in 2003, but weaker than the 5.6% increase in 2002. Economy-wide prices as measured by the GDP price deflator rose 1.9% in 2004, up from the 1.5% increase in 2003.

ONTARIO ECONOMIC ACCOUNTS: HIGHLIGHTS

(% change from previous period)

	2003	2004	2004:1	2004:2	2004:3	2004:4
Real GDP (Chained \$ 1997)	1.6	2.3	0.3	1.2	1.0	0.3
(annualized rate)			1.2	4.8	4.1	1.3
Personal spending	3.2	2.8	1.3	0.2	1.1	1.1
Government spending	5.6	2.9	0.7	0.8	-0.8	0.3
Residential construction	4.5	6.4	-3.4	2.8	3.8	-1.2
Non-residential construction	-3.2	-3.9	-0.5	0.2	0.4	0.8
Machinery & equipment	7.2	11.4	2.1	1.2	2.4	3.4
Exports	-0.6	3.8	0.6	2.4	-0.9	-0.2
Imports	3.8	7.1	0.0	1.1	3.2	1.9
Business inventories (Chained \$1997 billions)	3.3	4.6	-0.8	-2.4	9.5	12.0
Nominal GDP (\$ Current)	3.1	4.3	1.0	2.3	1.4	1.2
Corporation profits	-1.7	11.2	7.5	8.5	1.9	1.3
Personal income	2.6	3.6	1.3	1.2	0.8	0.9
Disposable income	2.7	2.9	1.2	1.2	0.1	0.9
Implicit price index, GDP	1.5	1.9	0.7	1.1	0.4	0.8

DEMAND AND INCOMES

CONSUMER SPENDING CONTINUES TO GROW IN FOURTH QUARTER

Real consumer spending continued to grow at a strong pace in the fourth quarter of 2004, increasing by 1.1%, after an identical advance in the third quarter. Spending on durable goods increased by 1.1% as car sales rose for the first time in over a year.

Fuelled by solid spending gains on food and energy-related goods, non-durable expenditures continued to expand from a mid-year low, increasing 1.6% in the fourth quarter following a 0.8% third quarter advance.

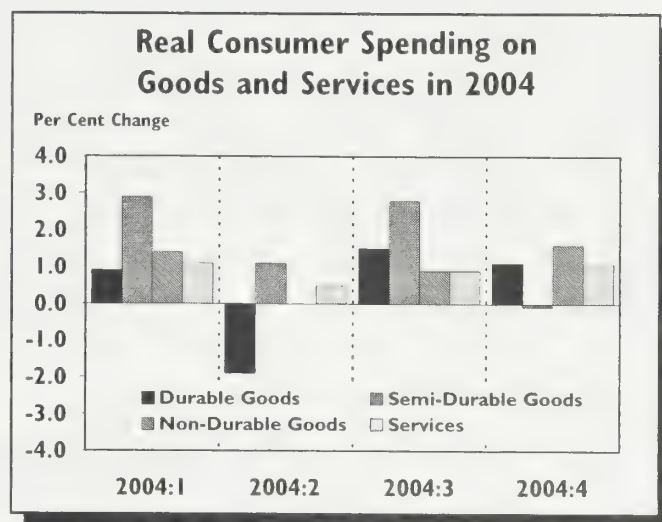
Semi-durable goods spending was virtually unchanged in the final quarter of 2004 as clothing purchases declined for the first time in about a year.

Consumer spending on services increased at a healthy 1.1% pace in the fourth quarter, slightly above the 0.9% gain of the third quarter.

Personal disposable income grew 0.9% in the fourth quarter, up from a 0.1% increase in the previous quarter. Labour income, the largest component of household income, grew by 1.0% as employment rose by 0.4% or 23,100 jobs.

In annual terms, consumer spending grew 2.8% in 2004, down from the 3.2% rate in 2003. Consumer spending was strong in all categories, with the exception of durable spending, which fell 3.5% in 2004. The drop in spending on durable goods, the first since 1992, resulted largely from a second straight year of falling motor vehicle purchases. Partially offsetting the weakness in car sales, spending on furniture and appliances increased for an eighth consecutive year. Linked to Ontario's strong housing market, furniture and appliance sales have been growing at an average annual rate of 8.3% a year since 1996.

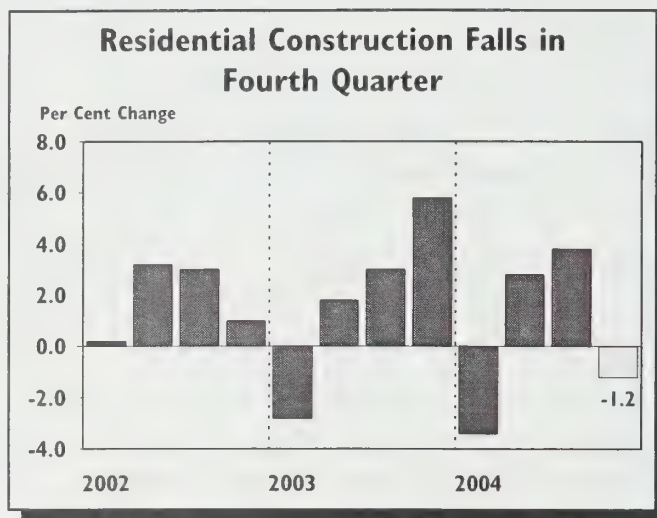
Labour income increased 3.9% in 2004, up from 3.1% in 2003. Employment grew 1.7%, a gain of 108,000 jobs in 2004. The personal savings rate fell to 1.8% in 2004 from 3.0% in 2003, its lowest level in over 50 years, as consumer spending in current dollars (+4.1%) outpaced personal disposable income growth (+2.9%).



RESIDENTIAL CONSTRUCTION DECLINES IN FOURTH QUARTER

Real residential construction investment fell by 1.2% in the final quarter of 2004. The fourth quarter decline follows strong third (+3.8%) and second quarter (+2.8%) gains which brought residential investment to record levels. A 2.2% drop in renovation along with a second consecutive quarterly decline (-2.7%) in transfer costs as the resale market came off its peak, more than offset a modest 0.2% rise in new home building.

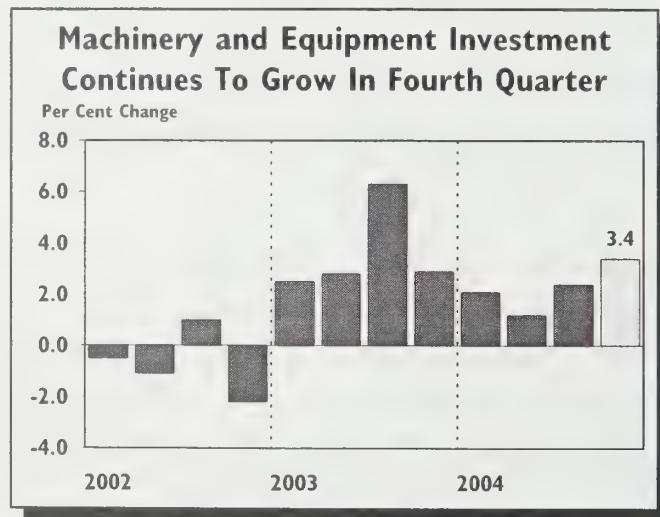
Investment in residential structures increased by 6.4% for the year as a whole. This was the sixth consecutive annual increase in residential construction. Residential investment has grown at an average annual rate of 8.2% over the past six years to an all-time record level of \$27 billion in 2004.



BUSINESS INVESTMENT CONTINUES TO INCREASE

Capital spending increased 2.9% in the fourth quarter, the strongest quarterly gain of the year. The latest quarterly advance, the eighth in a row, was due primarily to continuing growth in **machinery and equipment** investment which advanced by 3.4%. Much of the growth came from strong business demand for industrial machinery, computers and other office equipment and software.

Real non-residential construction registered its best growth in 2004, growing by 0.8% in the fourth quarter, as business spending on commercial and industrial building construction advanced after two quarters of lower activity.



Pre-tax corporate profits increased 1.3% in the fourth quarter following a 1.9% gain in the third quarter and average growth of over 8% per quarter in the first half of 2004. Moderate profit growth by wholesalers, retailers and real estate agents were partially offset by lower profits in the financial sector.

On an annual basis, businesses invested heavily in new plant and equipment in 2004, with capital spending growing 8.1%, the strongest annual gain in five years. Investment in machinery and equipment was particularly robust, rising 11.4%, the strongest increase since the telecommunications boom seven years ago. Ontario businesses have invested heavily in several key areas including computers and other office equipment, telecommunications equipment and industrial machinery.

A number of factors have contributed to a resurgence in capital spending, including higher corporate profits, high industrial capacity utilization rates and the falling cost of imported equipment, brought about by the strong appreciation of the Canadian dollar

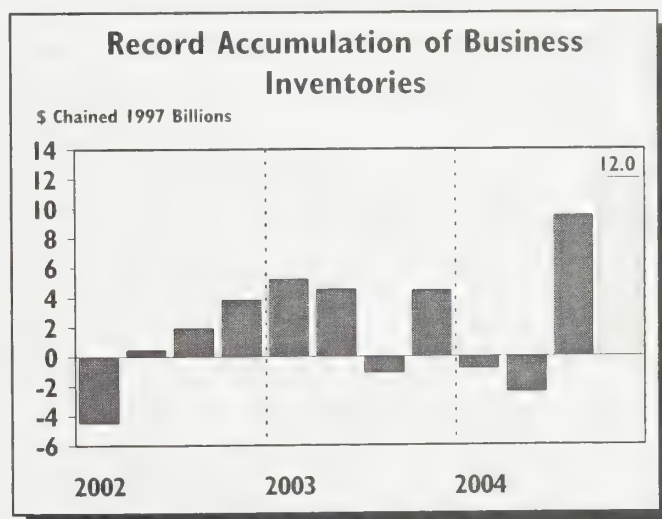
While the acquisition of machinery and equipment has been a major priority for businesses, spending on non-residential construction declined for the second consecutive year, down 3.9% in 2004, after falling 3.2% in 2003.

Ontario pre-tax corporate profits rose 11.2% in 2004, rebounding from a 1.7% decline in 2003. The improvement was the result of a rebound in manufacturing profits along with solid returns for wholesalers and retailers.

RECORD BUILD-UP OF BUSINESS INVENTORIES CONTINUES

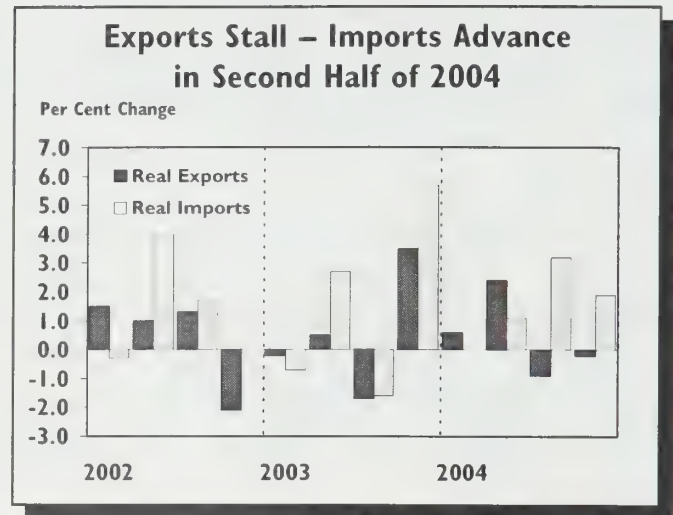
For the second consecutive quarter, Ontario manufacturers, wholesalers and retailers, raised their inventories by record amounts, as unsold stocks increased by an annualized \$12.0 billion in the final quarter of 2004, following a build-up of \$9.5 billion in the previous quarter. The fourth quarter accumulation was concentrated in wholesale trade and manufacturing. Retail trade inventories increased slightly, but were moderated by a large draw-down in motor vehicle stocks after a large third quarter build-up.

Businesses raised inventories by \$4.6 billion in 2004, following increases of \$3.3 billion in 2003 and \$444 million in 2002. The build-up in 2004 was broad-based with manufacturers, wholesalers and retailers all increasing their levels of unsold stocks. The largest contributor to the increase was the accumulation of motor vehicle stocks throughout the year.



EXPORTS DECLINE - IMPORTS GROW

Real exports fell 0.2% in the fourth quarter, their second consecutive quarterly decline. The Canadian dollar appreciated by 7.1% against its U.S. counterpart in the fourth quarter, dampening export growth. The fourth quarter decline in exports was spread over all major trade categories with the exception of autos and industrial goods and materials. Exports of machinery and equipment and of non-auto consumer goods were the main sources of weakness, with shipments falling from their strong positions in the first half of the year.



Encouraged by declining prices for imported goods as a result of the strong dollar, households and businesses continued to increase their purchases of foreign goods and services in the fourth quarter of 2004. **Real imports** grew by a solid 1.9% in the fourth quarter, after advancing 3.2% in the previous quarter. The growth was led by strong gains in imports of machinery and equipment and by non-auto consumer goods. These were partially offset by lower automotive imports.

With exports falling and imports growing strongly, Ontario's **real trade surplus** fell \$5.9 billion to \$30.3 billion (1997 dollars) in the final quarter, its lowest quarterly level in seven years. The deterioration in net trade was the main source of weakness in fourth quarter economic growth.

Ontario real exports rebounded by 3.8% in 2004, after declining 0.6% in 2003. The improved export performance was largely due to strong demand in the U.S., where economic growth reached 4.4%, the strongest since 1999. A significant share of Ontario's export growth in 2004 came from stronger automotive exports, mainly the result of the first increase in U.S. car sales (+1.2%) in four years. Strong machinery and equipment exports were boosted by double-digit growth in U.S. investment in equipment and software.

In addition, Ontario avoided trade setbacks of the magnitude experienced in 2003, such as the SARS outbreak, the power blackout and the onset of the Alberta BSE outbreak. Livestock and meat exports grew only 1.0% in 2004 following an 11.4% drop in 2003 as U.S. prohibitions on Canadian beef continued.

The strong dollar and rising domestic demand led to higher imports which soared by 7.1% in 2004, following a 3.8% gain in 2003. Imports grew across virtually all major categories, with substantial increases in machinery and equipment, industrial goods and materials, and autos. Energy imports were

also significantly higher in 2004.

With imports continuing to grow faster than exports, Ontario's **real trade surplus**, fell for the second consecutive year, narrowing to \$39.4 billion (1997 dollars) in 2004, its lowest annual level since 1998. As a result, net trade continued to be a significant drag on economic growth in Ontario. The deterioration in net trade effectively reduced Ontario's real GDP by \$6.9 billion in 2004, equivalent to a 1.5 percentage points reduction in real GDP growth.

GDP INFLATION CONTINUES TO MODERATE IN FOURTH QUARTER

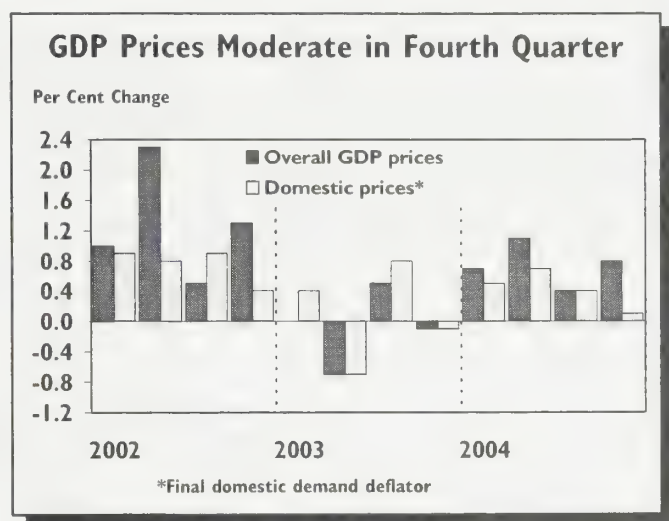
Economy-wide prices as measured by the GDP implicit price index rose by 0.8% in the fourth quarter of 2004, following a 0.4% pace in the third quarter. The continued modest increase in prices was a result of the strong Canadian dollar. By reducing the price of imports, the rising dollar helped moderate the rate of inflation for final domestic demand to a modest 0.1% in the fourth quarter, its lowest rate in a year.

Lower import prices, which fell 3.0% in the fourth quarter, following a 2.0% drop in the previous quarter, continued to benefit both consumers and businesses. Consumer prices rose a slight 0.4%, while machinery and equipment prices fell by 3.5% in the fourth quarter.

Export prices also fell for the second consecutive quarter, declining by 1.5% following a 0.5% drop in the third quarter.

For the year as a whole, prices as measured by the GDP price deflator, rose 1.9%, up from a 1.5% advance in 2003. The rising Canadian dollar, which appreciated 7.7% against the U.S. dollar in 2004 following the 12.1% gain in 2003, helped moderate annual inflation. Consumer prices were up 1.3% in 2004, slightly lower than the 1.4% rate in 2004. Machinery and equipment prices fell by 4.1%, exerting the biggest downward impact on the overall GDP price index in 2004. Inflation was strongest in Ontario's construction sector with residential construction prices rising 5.4% and non-residential construction prices up 5.1% in 2004.

The currency appreciation dampened both import prices (+0.3%) and to a lesser degree, export prices (+1.6%) in 2004.



ONTARIO PRODUCTION BY INDUSTRY

INDUSTRIAL PRODUCTION IN OCTOBER-DECEMBER QUARTER OF 2004

Industrial output advanced by 0.3% in the fourth quarter of 2004 (1.0% annualized), slowing from the pace of the previous two quarters. Service sector output expanded by 0.4%, while the goods-producing sector fell 0.2%.

The utilities (+4.4%), retail trade (+0.9%), wholesale trade (+0.7%) and finance (+0.6%) sectors led growth in the fourth quarter, while production in the manufacturing sector dropped (-0.8%).

On an annual basis, output gains in 2004 were concentrated in the finance (+3.7%), wholesale trade (+3.6%) and manufacturing (+2.5%) sectors.

ONTARIO OUTPUT BY SECTOR

(% change from previous period, chained \$1997)

	2003	2004	2004:1	2004:2	2004:3	2004:4
Goods Sector	0.5	2.4	-0.8	1.1	2.2	-0.2
Primary Industries	-1.3	2.8	1.1	0.8	0.2	0.3
Utilities	-2.9	0.2	1.4	-2.5	3.5	4.4
Construction	4.2	1.9	-2.4	-0.8	1.9	0.4
Manufacturing	0.0	2.5	-0.7	2.1	2.5	-0.8
Of which: Auto Industry	2.9	6.7	1.6	2.0	2.4	-1.4
Service Sector	2.2	2.6	0.7	1.0	0.2	0.4
Wholesale Trade	5.8	3.6	-1.4	3.6	0.2	0.7
Retail Trade	3.1	3.0	1.3	-0.1	1.7	0.9
Transportation and Warehousing	0.8	4.9	0.3	1.2	0.9	0.6
Information and Cultural Industries	3.3	1.7	0.0	1.3	-0.7	-0.3
Finance, Insurance, Real Estate	1.8	3.7	1.1	1.2	0.3	0.6
Public Administration	3.0	1.7	2.0	-0.8	1.4	-0.3
Ontario Output at Basic Prices	1.7	2.6	0.2	1.0	0.8	0.3
(annualized rate)			0.8	4.2	3.4	1.0

Note: Ontario output by sector is defined as real gross domestic product at basic prices in chained 1997 dollars. The basic prices method estimates value added by measuring the amounts an industry spends on factors of production, such as labour and capital, while creating products. These amounts include taxes net of subsidies on labour and capital inputs, but not those on the final products.

MANUFACTURING OUTPUT LOWER

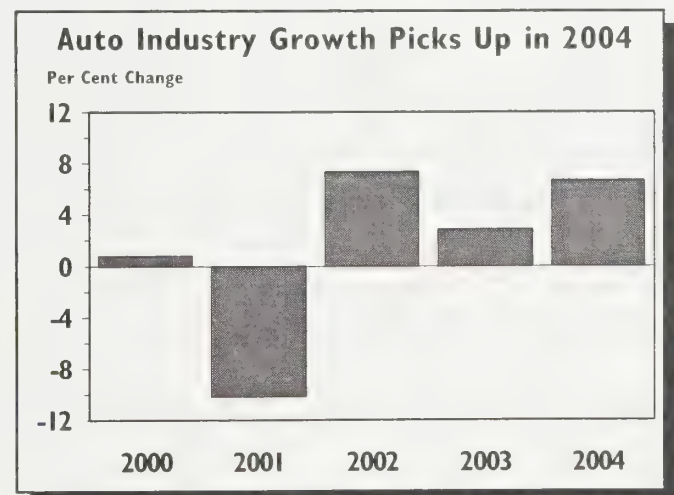
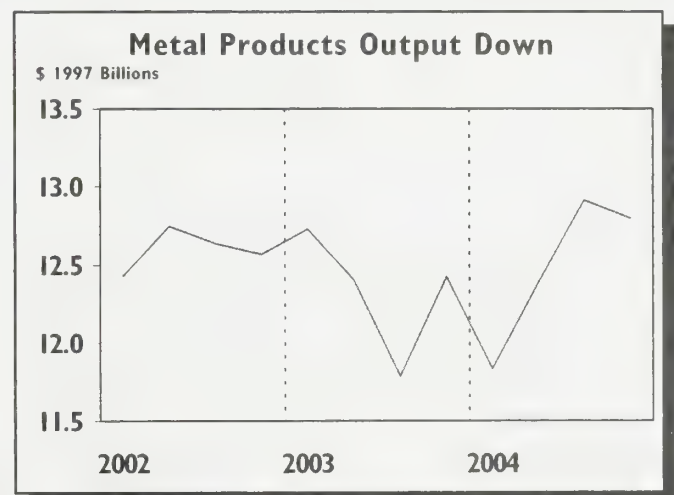
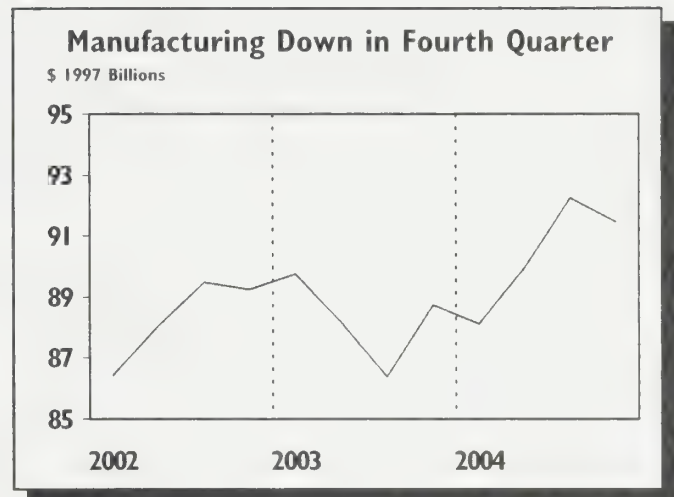
Hampered by the high Canadian dollar, manufacturing output declined 0.8% in the fourth quarter, following a strong performance in the third quarter (+2.5%). Ten of the eleven manufacturing industries categorized in the Ontario Economic Accounts reduced output in the final quarter of the year.

Production in the electrical and electronic products industry fell 3.3%, erasing the advances of the two previous quarters. The paper and printing (-2.0%), food, beverage and tobacco (-1.1%) and primary metal and fabricated metal (-0.9%) industries all experienced a difficult fourth quarter. The only advance in manufacturing activity in the quarter occurred in the wood products and furniture industry (+4.4%).

The auto sector (-1.4%) had its first negative quarter in more than a year as auto assembly output fell 2.5%. Auto parts production was little changed (-0.1%) as the industry's inventory level rose for the fourth consecutive quarter.

Despite the fourth quarter setback, auto sector production was strong for the year as a whole, advancing 6.7% in 2004. Growth in auto assembly (+10.7%) outpaced that of parts manufacturing (+5.1%) on the year.

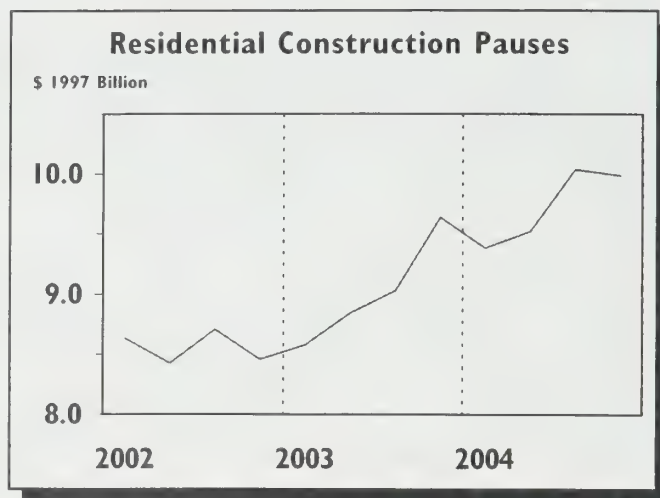
The manufacturing sector, as a whole, advanced 2.5% in 2004, following a pause (0.0%) in 2003. One of the most significant output increases occurred in the chemicals and petroleum products industry, which grew at a 9.2% pace, achieving its best year on record.



MODERATE CONSTRUCTION GROWTH

Construction advanced by 0.4% in the fourth quarter, following 1.9% growth in the third quarter. Production by the non-residential and engineering construction industries rose for the first time in the year (+1.1%), with growth concentrated in engineering construction. Meanwhile, residential construction fell 0.5% after reaching the \$10 billion mark for the first time in the third quarter. This was the first time in two years that advances in non-residential building and engineering construction provided the primary source of momentum while residential construction output declined.

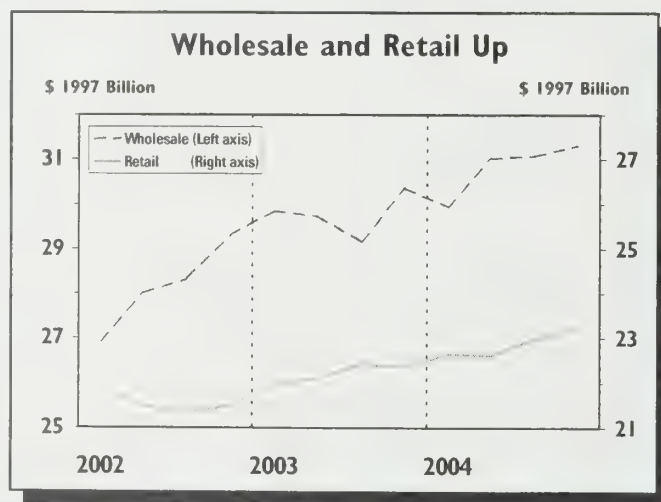
For 2004 as a whole, construction rose 1.9%, the slowest growth since 1998, despite a 7.9% surge in residential construction activity.



WHOLESALE AND RETAIL SECTORS GROW

Wholesaling activity rose 0.7% in the fourth quarter, accelerating from a 0.2% increase in the previous quarter. Higher sales in the "other products" group (which includes recyclable metal and paper products, stationery and office supplies) were offset by lower sales by food product stores.

The retail sector's output rose 0.9% in the fourth quarter, down from 1.7% in the previous quarter. Used car and parts dealers, gasoline stations and supermarkets reported higher activity which was offset by lower sales in home centres, hardware stores and new car dealers.

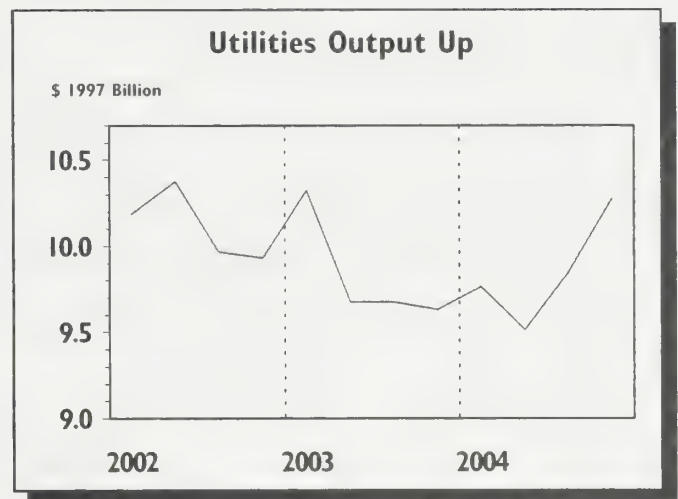


In annual terms, wholesale trade grew 3.6% in 2004, outpacing retail (+3.0%) for the third year in a row.

RESOURCES AND UTILITIES

Mining output fell 2.6% in the fourth quarter. Output of copper ores and concentrates fell due to reduced demand from foreign markets. Utilities output jumped 4.4% as a result of a 5.7% jump in electric power production, reflecting the colder than normal weather during the final quarter of last year. Production in the agriculture, forestry, fishing and hunting sector rose 2.6%, the best quarterly advance in two years.

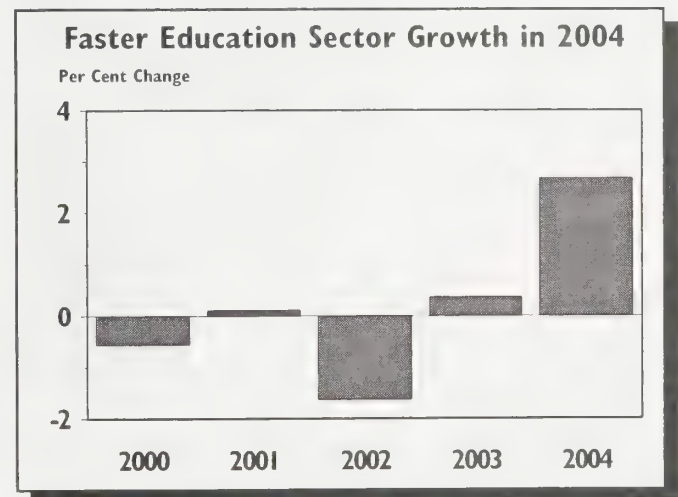
Annually, mining output rose 1.8%, bouncing back from a 2.6% decline in 2003. Utilities production edged up by 0.2%, as a 1.3% advance in electricity was largely offset by a 3.4% drop in natural gas and water distribution.



EDUCATION, HEALTH CARE AND PUBLIC ADMINISTRATION

Education services output rose 1.1% in the fourth quarter, following a 3.3% drop in the third quarter. Production in the health care and social services sector paused in the fourth quarter (-0.2%). The public administration sector declined 0.3%, a result of labour disruptions in the federal public service.

For 2004 as a whole, output in education services jumped 2.7%, the fastest annual growth on record for this sector. While the health care and social services sector recorded a comparable rate of growth (+2.4%), it represented a slowdown after five years of more robust growth. In the public administration sector, which grew 1.7%, all three levels of government recorded advances with local, municipal and regional governments providing the largest contribution to growth.



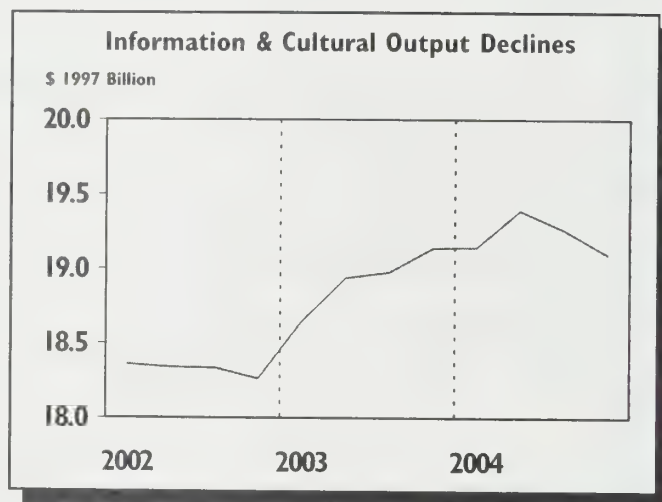
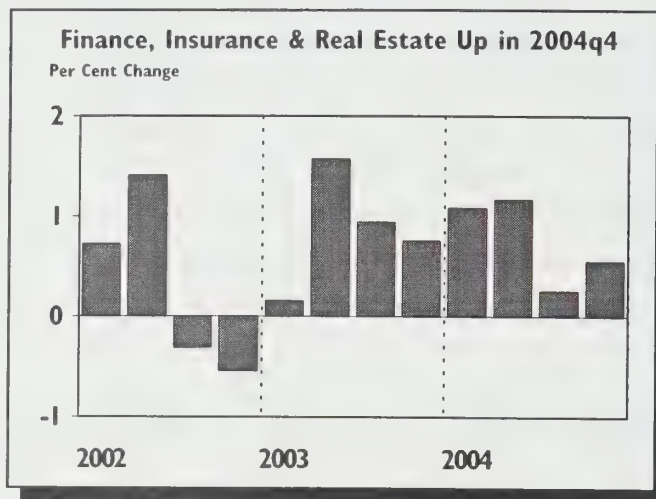
SLOWER GROWTH IN OTHER SERVICE SECTORS

Output growth by the finance, insurance and real estate sector accelerated to 0.6% in the fourth quarter, following a third quarter advance of 0.3%.

Growth was spurred by a pick up in banking activity and marked the eighth consecutive positive quarter for the sector.

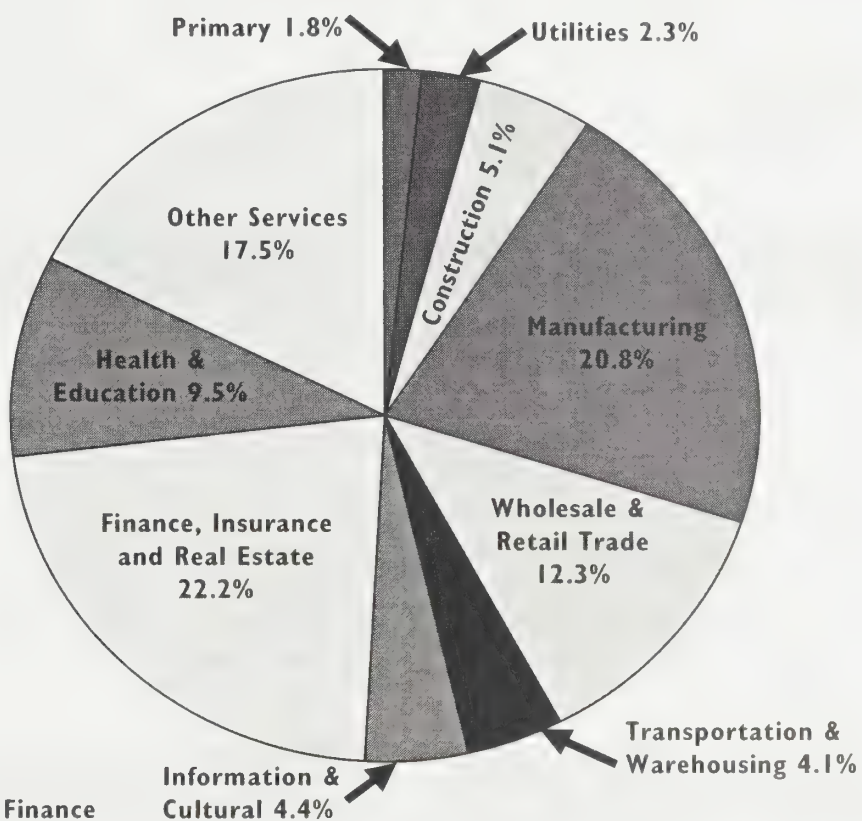
Output in the information and culture sector (which includes telecommunications) fell 0.3% in the fourth quarter following a decline of 0.7% in the third quarter. The last time this industry's output fell in consecutive quarters was in 2002.

For 2004 as a whole, the finance, insurance and real estate sector grew 3.7%, its best performance in three years. Growth in information and culture slowed to 1.7% as newspaper circulation and productions of movies both declined. Professional and administrative services output fell 0.3% following 2003's strong growth of 2.7%.



Structure of the Ontario Economy, 2004

Per Cent Share of GDP



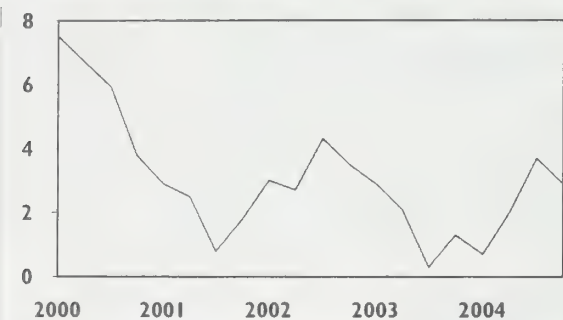
Source: Ontario Finance

ONTARIO ECONOMIC ACCOUNTS: SUMMARY CHARTS

(2000:1 - 2004:4)

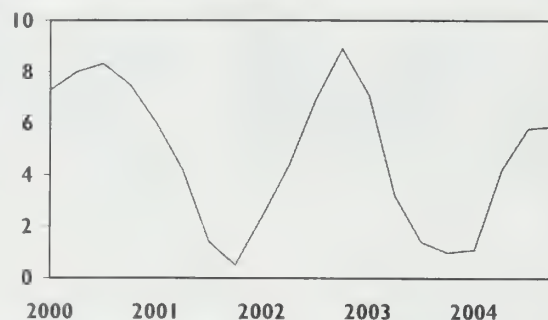
Gross Domestic Product (Chained \$ 1997)

Per Cent Change, Year-Over-Year



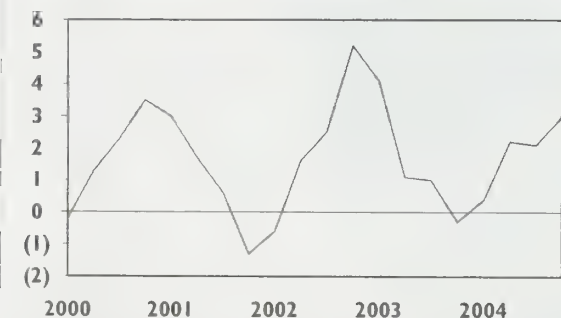
Gross Domestic Product (\$ Current)

Per Cent Change, Year-Over-Year



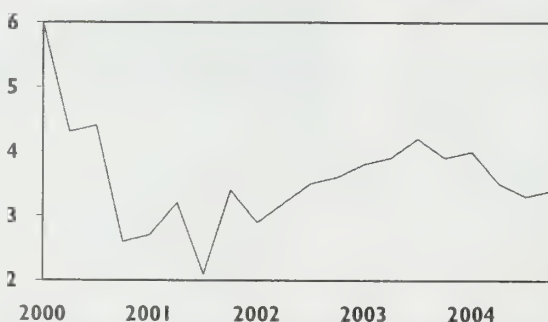
GDP Deflator (1997 = 100)

Per Cent Change, Year-Over-Year



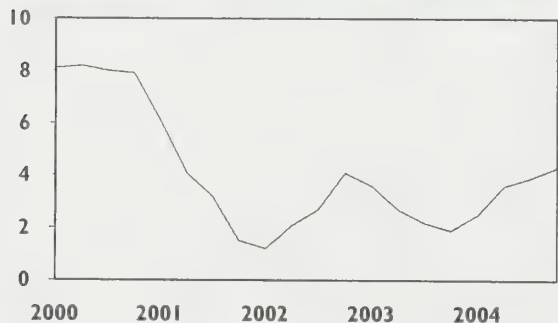
Final Domestic Demand (Chained \$ 1997)

Per Cent Change, Year-Over-Year



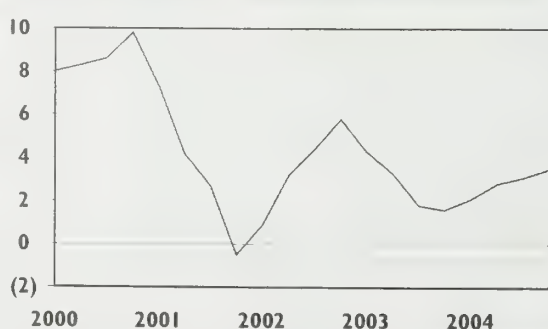
Personal Income (\$ Current)

Per Cent Change, Year-Over-Year



Personal Disposable Income (\$ Current)

Per Cent Change, Year-Over-Year

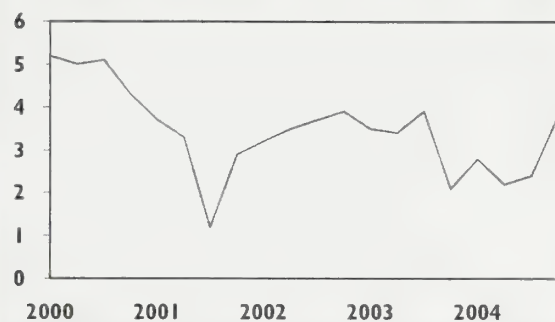


ONTARIO ECONOMIC ACCOUNTS: SUMMARY CHARTS

(2000:1 - 2004:4)

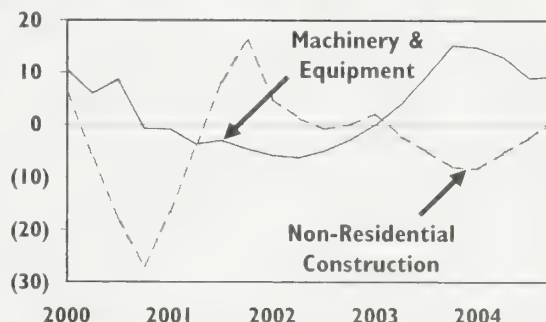
Consumer Spending (Chained \$ 1997)

Per Cent Change, Year-Over-Year



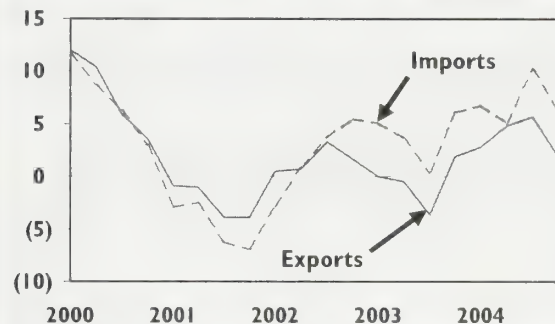
Business Plant & Equipment (Chained \$ 1997)

Per Cent Change, Year-Over-Year



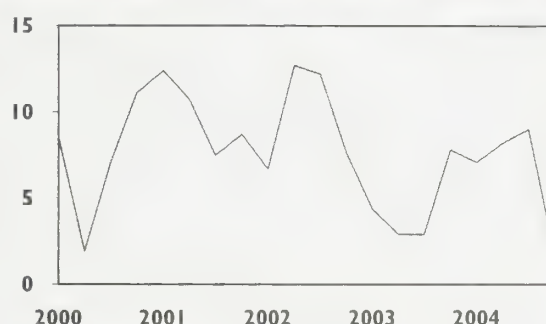
Trade (Chained \$ 1997)

Per Cent Change, Year-Over-Year



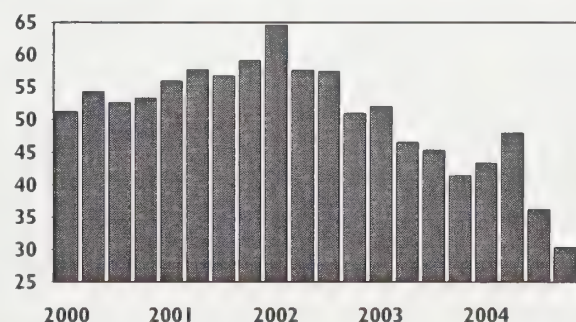
Residential Construction (Chained \$ 1997)

Per Cent Change, Year-Over-Year



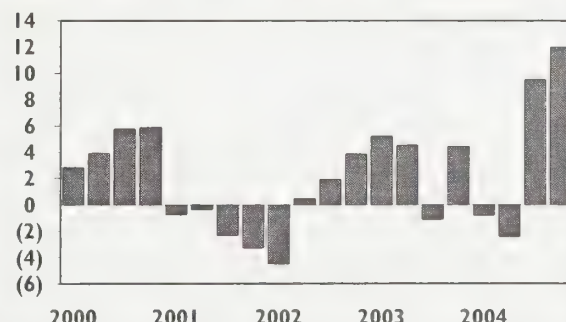
Net Exports (Chained \$ 1997)

\$ Billions



Change in Inventories (Chained \$ 1997)

\$ Billions



LIST OF TABLES

INCOME AND EXPENDITURE DATA

Quarterly Data, 2001:1–2004:4

Table 1: Ontario Gross Domestic Product (Income-Based)	20
Table 2: Ontario Gross Domestic Product (Expenditure-Based)	22
Table 3: Ontario Gross Domestic Product at Chained 1997 Prices	24
Table 4: Sources and Disposition of Ontario Personal Income	26
Table 5: Ontario Trade	28
Table 6: Ontario Deflators	30

Annual Data, 2001–2004

Table 7: Ontario Gross Domestic Product (Income-Based)	32
Table 8: Ontario Gross Domestic Product (Expenditure-Based)	33
Table 9: Ontario Gross Domestic Product at Chained 1997 Prices	34
Table 10: Sources and Disposition of Ontario Personal Income	35
Table 11: Ontario Trade	36
Table 12: Ontario Deflators	37

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

Table 13: Quarterly Data, 2001:1-2004:4	38
Table 14: Annual Data, 2001-2004	42

Historical tables, both annual and quarterly, from 1981 are available on request by e-mailing Macroeconomics@fin.gov.on.ca

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted data at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Wages, salaries and supplementary labour income (domestic basis)	241,206 0.9	242,941 0.7	243,733 0.3	243,876 0.1	246,751 1.2	249,889 1.3	252,904 1.2	255,360 1.0
2. Corporation profits before taxes	54,211 -6.1	54,081 -0.2	46,839 -13.4	42,633 -9.0	51,369 20.5	57,616 12.2	63,920 10.9	66,667 4.3
3. Interest and miscellaneous investment income	18,388 5.3	17,531 -4.7	16,261 -7.2	16,024 -1.5	16,329 1.9	16,660 2.0	17,348 4.1	17,971 3.6
4. Accrued net income of farm operators from farm production	215 90.3	264 22.8	330 25.0	171 -48.2	181 5.8	136 -24.9	221 62.5	394 78.3
5. Net income of non-farm unincorporated business, including rent	28,273 -1.7	28,776 1.8	29,348 2.0	30,023 2.3	30,667 2.1	31,404 2.4	31,846 1.4	32,155 1.0
6. Inventory valuation adjustment	-598	127	750	801	-1,361	-971	-1,928	-1,056
7. Indirect taxes less subsidies	56,326 -2.3	58,637 4.1	60,824 3.7	61,853 1.7	62,236 0.6	62,406 0.3	61,832 -0.9	60,462 -2.2
8. Capital consumption allowances	55,484 5.3	54,536 -1.7	54,623 0.2	55,041 0.8	55,692 1.2	58,443 4.9	58,186 -0.4	59,919 3.0
9. Statistical discrepancy	-872	196	1,048	1,824	1,617	1,638	837	485
10. Gross Domestic Product at market prices	452,633 0.6	457,089 1.0	453,756 -0.7	452,246 -0.3	463,481 2.5	477,221 3.0	485,166 1.7	492,357 1.5
	2.5	4.0	-2.9	-1.3	10.3	12.4	6.8	6.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted data at annual rates, millions of dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Wages, salaries and supplementary labour income (domestic basis)	257,741 0.9	257,986 0.1	258,949 0.4	261,532 1.0	264,613 1.2	267,775 1.2	270,102 0.9	272,938 1.0
2. Corporation profits before taxes	64,795 -2.8	57,586 -11.1	56,565 -1.8	56,462 -0.2	60,700 7.5	65,871 8.5	67,104 1.9	68,000 1.3
3. Interest and miscellaneous investment income	17,636 -1.9	17,152 -2.7	17,300 0.9	16,544 -4.4	17,257 4.3	17,699 2.6	18,081 2.2	18,099 0.1
4. Accrued net income of farm operators from farm production	130 -67.0	43 -66.9	-53 -	-48 -	182 -	215 18.1	212 -1.4	223 5.2
5. Net income of non-farm unincorporated business, including rent	32,306 0.5	32,566 0.8	32,885 1.0	33,119 0.7	33,314 0.6	33,784 1.4	34,067 0.8	34,281 0.6
6. Inventory valuation adjustment	1,567	5,073	1,485	1,595	-1,567	-1,684	374	2,287
7. Indirect taxes less subsidies	60,621 0.3	60,786 0.3	62,296 2.5	63,653 2.2	63,558 -0.1	64,784 1.9	65,558 1.2	66,069 0.8
8. Capital consumption allowances	60,531 1.0	61,017 0.8	61,416 0.7	61,972 0.9	62,617 1.0	63,630 1.6	64,380 1.2	65,329 1.5
9. Statistical discrepancy	1,274	273	1,009	2,240	1,263	1,186	674	-594
10. Gross Domestic Product at market prices	496,601 0.9	492,482 -0.8	491,852 -0.1	497,069 1.1	501,937 1.0	513,260 2.3	520,552 1.4	526,632 1.2
	* 3.5	* -3.3	* -0.5	* 4.3	* 4.0	* 9.3	* 5.8	* 4.8

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted data at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	247,588 0.9	250,748 1.3	251,214 0.2	254,017 1.1	258,122 1.6	262,459 1.7	266,647 1.6	271,336 1.8
2. Durable goods	33,435 2.6	33,127 -0.9	32,742 -1.2	34,911 6.6	35,532 1.8	35,850 0.9	36,092 0.7	36,930 2.3
3. Semi-durable goods	22,077 -0.2	22,355 1.3	21,833 -2.3	22,279 2.0	22,910 2.8	22,928 0.1	22,863 -0.3	23,063 0.9
4. Non-durable goods	55,273 -0.2	57,426 3.9	57,690 0.5	57,199 -0.9	58,418 2.1	58,725 0.5	60,702 3.4	62,303 2.6
5. Services	136,803 1.1	137,840 0.8	138,949 0.8	139,629 0.5	141,263 1.2	144,955 2.6	146,990 1.4	149,040 1.4
6. Government expenditure on goods and services:	84,461 1.1	85,855 1.7	87,212 1.6	88,808 1.8	89,457 0.7	91,687 2.5	93,936 2.5	96,024 2.2
7. Current expenditure	74,180 0.8	75,583 1.9	77,014 1.9	78,187 1.5	78,383 0.3	80,273 2.4	82,097 2.3	83,892 2.2
8. Capital expenditure	10,281 3.3	10,272 -0.1	10,198 -0.7	10,621 4.2	11,075 4.3	11,415 3.1	11,839 3.7	12,132 2.5
9. Business gross fixed capital formation:	69,784 2.4	70,422 0.9	70,992 0.8	70,658 -0.5	71,669 1.4	72,873 1.7	73,777 1.2	73,764 -0.0
10. Residential structures	23,940 2.6	23,846 -0.4	24,691 3.5	26,235 6.3	26,945 2.7	28,047 4.1	28,861 2.9	29,555 2.4
11. Non-residential structures	10,680 6.7	11,237 5.2	11,413 1.6	11,387 -0.2	11,285 -0.9	11,498 1.9	11,653 1.3	11,800 1.3
12. Machinery and equipment	35,164 1.1	35,340 0.5	34,888 -1.3	33,036 -5.3	33,439 1.2	33,328 -0.3	33,263 -0.2	32,410 -2.6
13. Exports of goods and services	320,032 -2.5	322,980 0.9	315,424 -2.3	310,940 -1.4	319,692 2.8	324,015 1.4	331,340 2.3	325,918 -1.6
14. DEDUCT: Imports of goods and services	271,831 -3.3	272,572 0.3	267,708 -1.8	262,177 -2.1	265,124 1.1	274,033 3.4	280,782 2.5	279,805 -0.3
15. Value of physical change in inventories:	1,712	-334	-2,334	-7,987	-8,423	1,926	1,009	5,316
16. Non-farm	1,681	-202	-2,178	-7,952	-8,552	1,585	1,408	4,622
17. Farm	6	-140	-149	-25	193	287	-310	645
18. Government	24	8	-7	-9	-63	53	-90	48
19. Statistical discrepancy	890	-8	-1,041	-2,012	-1,911	-1,703	-759	-193
20. Gross Domestic Product at market prices	452,633 0.6 2.5	457,089 1.0 4.0	453,756 -0.7 -2.9	452,246 -0.3 -1.3	463,481 2.5 10.3	477,221 3.0 12.4	485,166 1.7 6.8	492,357 1.5 6.1
21. Final domestic demand	401,833 1.2	407,026 1.3	409,418 0.6	413,484 1.0	419,249 1.4	427,019 1.9	434,360 1.7	441,125 1.6

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted data at annual rates, millions of dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Personal expenditure on consumer goods and services:	274,711 1.2	274,957 0.1	279,123 1.5	278,673 -0.2	283,609 1.8	285,887 0.8	289,531 1.3	294,088 1.6
2. Durable goods	36,509 -1.1	36,384 -0.3	36,990 1.7	34,458 -6.8	34,609 0.4	33,927 -2.0	34,239 0.9	34,768 1.5
3. Semi-durable goods	23,255 0.8	23,359 0.4	23,703 1.5	23,307 -1.7	23,884 2.5	24,071 0.8	24,485 1.7	24,504 0.1
4. Non-durable goods	64,453 3.5	63,058 -2.2	64,162 1.8	64,934 1.2	66,558 2.5	67,633 1.6	68,868 1.8	70,697 2.7
5. Services	150,495 1.0	152,155 1.1	154,268 1.4	155,974 1.1	158,558 1.7	160,256 1.1	161,939 1.0	164,120 1.3
6. Government expenditure on goods and services:	97,590 1.6	98,982 1.4	100,592 1.6	103,076 2.5	103,894 0.8	104,828 0.9	105,668 0.8	106,313 0.6
7. Current expenditure	84,412 0.6	85,945 1.8	87,637 2.0	90,179 2.9	91,386 1.3	92,436 1.1	93,342 1.0	94,037 0.7
8. Capital expenditure	13,178 8.6	13,037 -1.1	12,955 -0.6	12,897 -0.4	12,508 -3.0	12,392 -0.9	12,326 -0.5	12,276 -0.4
9. Business gross fixed capital formation:	73,850 0.1	73,975 0.2	76,904 4.0	78,602 2.2	78,830 0.3	81,783 3.7	83,889 2.6	83,601 -0.3
10. Residential structures	29,168 -1.3	29,998 2.8	31,600 5.3	33,474 5.9	32,879 -1.8	34,471 4.8	36,167 4.9	35,786 -1.1
11. Non-residential structures	11,902 0.9	11,536 -3.1	11,345 -1.7	11,113 -2.0	11,254 1.3	11,491 2.1	11,716 2.0	11,897 1.5
12. Machinery and equipment	32,780 1.1	32,441 -1.0	33,960 4.7	34,015 0.2	34,696 2.0	35,821 3.2	36,005 0.5	35,917 -0.2
13. Exports of goods and services	322,298 -1.1	309,171 -4.1	303,282 -1.9	309,832 2.2	317,575 2.5	336,949 6.1	332,278 -1.4	326,769 -1.7
14. DEDUCT: Imports of goods and services	276,645 -1.1	269,149 -2.7	264,578 -1.7	274,048 3.6	280,014 2.2	293,956 5.0	297,373 1.2	293,955 -1.1
15. Value of physical change in inventories:	6,133	4,684	-2,645	3,405	-693	-1,044	7,233	9,222
16. Non-farm	6,522	4,952	-2,947	2,833	-1,113	-1,426	6,814	8,587
17. Farm	-408	-257	298	563	288	346	381	449
18. Government	19	-12	4	9	131	35	38	185
19. Statistical discrepancy	-1,334	-136	-824	-2,471	-1,263	-1,186	-674	594
20. Gross Domestic Product at market prices	496,601 0.9 3.5	492,482 -0.8 -3.3	491,852 -0.1 -0.5	497,069 1.1 4.3	501,937 1.0 4.0	513,260 2.3 9.3	520,552 1.4 5.8	526,632 1.2 4.8
21. Final domestic demand	446,152 1.1	447,914 0.4	456,619 1.9	460,352 0.8	466,332 1.3	472,498 1.3	479,087 1.4	484,002 1.0

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 3

Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	231,446 0.7	232,833 0.6	233,307 0.2	236,554 1.4	238,964 1.0	240,895 0.8	241,915 0.4	245,718 1.6
2. Durable goods	33,718 3.4	33,484 -0.7	33,092 -1.2	35,594 7.6	36,254 1.9	36,351 0.3	36,470 0.3	37,633 3.2
3. Semi-durable goods	20,882 -1.3	21,423 2.6	20,970 -2.1	21,285 1.5	22,162 4.1	21,844 -1.4	21,569 -1.3	21,989 1.9
4. Non-durable goods	49,375 -0.8	49,844 1.0	50,475 1.3	50,814 0.7	51,415 1.2	51,038 -0.7	51,153 0.2	52,519 2.7
5. Services	127,596 0.8	128,194 0.5	128,869 0.5	128,921 0.0	129,274 0.3	131,890 2.0	133,032 0.9	133,965 0.7
6. Government expenditure on goods and services:	79,260 0.8	80,893 2.1	81,493 0.7	82,706 1.5	82,532 -0.2	84,093 1.9	85,192 1.3	86,395 1.4
7. Current expenditure	69,203 0.3	70,853 2.4	71,468 0.9	72,265 1.1	71,720 -0.8	72,908 1.7	73,679 1.1	74,550 1.2
8. Capital expenditure	10,057 4.0	10,040 -0.2	10,026 -0.1	10,441 4.1	10,812 3.5	11,185 3.5	11,514 2.9	11,845 2.9
9. Business gross fixed capital formation:	67,044 2.4	66,878 -0.2	67,853 1.5	67,521 -0.5	67,247 -0.4	67,808 0.8	69,001 1.8	68,628 -0.5
10. Residential structures	21,810 2.0	21,325 -2.2	22,070 3.5	23,231 5.3	23,281 0.2	24,032 3.2	24,764 3.0	25,004 1.0
11. Non-residential structures	9,500 8.4	9,960 4.8	10,202 2.4	10,182 -0.2	9,965 -2.1	10,085 1.2	10,134 0.5	10,196 0.6
12. Machinery and equipment	35,782 0.8	35,548 -0.7	35,446 -0.3	33,880 -4.4	33,712 -0.5	33,336 -1.1	33,682 1.0	32,945 -2.2
13. Exports of goods and services	305,445 -2.9	307,822 0.8	304,168 -1.2	302,365 -0.6	307,002 1.5	309,942 1.0	314,062 1.3	307,619 -2.1
14. DEDUCT: Imports of goods and services	249,452 -4.5	250,109 0.3	247,373 -1.1	243,262 -1.7	242,480 -0.3	252,293 4.0	256,600 1.7	256,651 0.0
15. Value of physical change in inventories:	-433	-250	-2,636	-3,605	-4,680	643	1,634	4,728
16. Non-farm	-729	-333	-2,348	-3,270	-4,479	457	1,943	3,854
17. Farm	272	75	-281	-327	-141	134	-227	826
18. Government	24	8	-7	-9	-61	52	-83	48
19. Statistical discrepancy	850	-7	-994	-1,921	-1,823	-1,625	-725	-185
20. Gross Domestic Product at market prices	434,243 0.2 0.9	438,418 1.0 3.9	436,617 -0.4 -1.6	441,122 1.0 4.2	447,413 1.4 5.8	450,421 0.7 2.7	455,482 1.1 4.6	456,408 0.2 0.8
21. Final domestic demand	377,720 1.0	380,584 0.8	382,643 0.5	386,781 1.1	388,732 0.5	392,770 1.0	396,062 0.8	400,684 1.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED
TABLE 3
Seasonally adjusted data at annual rates, millions of chained (1997) dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Personal expenditure on consumer goods and services:	247,265 0.6	249,095 0.7	251,381 0.9	250,888 -0.2	254,216 1.3	254,646 0.2	257,444 1.1	260,376 1.1
2. Durable goods	37,105 -1.4	37,037 -0.2	37,915 2.4	35,439 -6.5	35,750 0.9	35,061 -1.9	35,579 1.5	35,958 1.1
3. Semi-durable goods	22,345 1.6	22,617 1.2	22,984 1.6	22,342 -2.8	22,979 2.9	23,241 1.1	23,887 2.8	23,863 -0.1
4. Non-durable goods	52,972 0.9	52,933 -0.1	52,577 -0.7	53,769 2.3	54,546 1.4	54,571 0.0	54,988 0.8	55,871 1.6
5. Services	135,144 0.9	136,721 1.2	138,031 1.0	139,376 1.0	140,978 1.1	141,729 0.5	143,017 0.9	144,652 1.1
6. Government expenditure on goods and services:	87,766 1.6	89,364 1.8	89,115 -0.3	91,075 2.2	91,680 0.7	92,438 0.8	91,699 -0.8	91,976 0.3
7. Current expenditure	75,196 0.9	76,613 1.9	76,352 -0.3	78,171 2.4	79,100 1.2	80,184 1.4	79,546 -0.8	79,790 0.3
8. Capital expenditure	12,571 6.1	12,750 1.4	12,763 0.1	12,904 1.1	12,517 -3.0	12,129 -3.1	12,029 -0.8	12,060 0.3
9. Business gross fixed capital formation:	68,621 -0.0	69,591 1.4	72,196 3.7	74,384 3.0	73,919 -0.6	75,220 1.8	77,245 2.7	78,035 1.0
10. Residential structures	24,300 -2.8	24,730 1.8	25,475 3.0	26,947 5.8	26,024 -3.4	26,764 2.8	27,770 3.8	27,432 -1.2
11. Non-residential structures	10,181 -0.1	9,874 -3.0	9,636 -2.4	9,377 -2.7	9,334 -0.5	9,354 0.2	9,395 0.4	9,470 0.8
12. Machinery and equipment	33,758 2.5	34,703 2.8	36,884 6.3	37,947 2.9	38,745 2.1	39,223 1.2	40,158 2.4	41,520 3.4
13. Exports of goods and services	306,861 -0.2	308,248 0.5	302,855 -1.7	313,588 3.5	315,604 0.6	323,076 2.4	320,209 -0.9	319,659 -0.2
14. DEDUCT: Imports of goods and services	254,850 -0.7	261,741 2.7	257,576 -1.6	272,257 5.7	272,294 0.0	275,177 1.1	284,005 3.2	289,351 1.9
15. Value of physical change in inventories:	5,196	4,516	-1,011	4,867	-435	-2,180	9,666	12,031
16. Non-farm	5,217	4,522	-1,108	4,430	-840	-2,434	9,509	11,991
17. Farm	-41	7	93	429	448	140	134	150
18. Government	19	-12	4	9	-43	114	24	-109
19. Statistical discrepancy	-1,286	-131	-795	-2,382	-1,166	-1,084	-613	536
20. Gross Domestic Product at market prices	460,298 0.9 3.5	459,768 -0.1 -0.5	456,992 -0.6 -2.4	462,163 1.1 4.6	463,529 0.3 1.2	469,024 1.2 4.8	473,782 1.0 4.1	475,357 0.3 1.3
21. Final domestic demand	403,586 0.7	407,965 1.1	412,578 1.1	416,196 0.9	419,710 0.8	422,169 0.6	426,181 1.0	430,161 0.9

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

		2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1.	Wages, salaries and supplementary labour income (national basis)	238,436 1.0	240,063 0.7	240,775 0.3	239,714 -0.4	243,321 1.5	246,751 1.4	250,079 1.3	252,685 1.0
2.	Net income of farm operators from farm production	215 90.3	264 22.8	330 25.0	171 -48.2	181 5.8	136 -24.9	221 62.5	394 78.3
3.	Net income of non-farm unincorporated business, including rent	28,273 -1.7	28,776 1.8	29,348 2.0	30,023 2.3	30,667 2.1	31,404 2.4	31,846 1.4	32,155 1.0
4.	Interest, dividends and miscellaneous investment income	47,758 -1.2	47,232 -1.1	46,521 -1.5	45,373 -2.5	44,613 -1.7	44,452 -0.4	43,945 -1.1	43,382 -1.3
5.	Current transfers from government, corporations and non-residents	45,284 8.6	43,849 -3.2	44,589 1.7	44,990 0.9	45,414 0.9	45,059 -0.8	45,352 0.7	46,367 2.2
6.	Equals: Personal income	359,966 1.4	360,184 0.1	361,563 0.4	360,271 -0.4	364,196 1.1	367,802 1.0	371,443 1.0	374,983 1.0
7.	Deduct: Personal direct taxes	60,453 3.4	62,339 3.1	63,143 1.3	63,249 0.2	60,865 -3.8	59,668 -2.0	59,386 -0.5	60,333 1.6
8.	Other current transfers to government	23,519 3.8	23,836 1.3	24,154 1.3	24,447 1.2	24,848 1.6	25,408 2.3	25,775 1.4	26,193 1.6
9.	Equals: Personal disposable income	275,994 0.7	274,009 -0.7	274,266 0.1	272,575 -0.6	278,483 2.2	282,726 1.5	286,282 1.3	288,457 0.8
10.	Deduct: Personal expenditure on consumer goods and services	247,588 0.9	250,748 1.3	251,214 0.2	254,017 1.1	258,122 1.6	262,459 1.7	266,647 1.6	271,336 1.8
11.	Current transfers to corporations	5,060 -3.4	5,256 3.9	4,918 -6.4	4,698 -4.5	4,508 -4.0	4,380 -2.8	4,581 4.6	4,759 3.9
12.	Current transfers to non-residents	797 10.4	728 -8.7	850 16.8	873 2.7	955 9.4	898 -6.0	975 8.6	976 0.1
13.	Equals: Personal saving	22,549 -0.4	17,277 -23.4	17,284 0.0	12,987 -24.9	14,898 14.7	14,989 0.6	14,079 -6.1	11,386 -19.1
14.	Personal saving rate (percent)	8.2	6.3	6.3	4.8	5.4	5.3	4.9	4.0
15.	Real personal disposable income * (millions of chained (1997) dollars)	257,999 0.5	254,432 -1.4	254,716 0.1	253,836 -0.3	257,814 1.6	259,498 0.7	259,728 0.1	261,222 0.6
16.	Population (thousands)	11,774 0.2	11,828 0.5	11,898 0.6	11,965 0.6	11,987 0.2	12,037 0.4	12,102 0.5	12,153 0.4
17.	Personal disposable income per capita (dollars)	23,440 0.5	23,165 -1.2	23,052 -0.5	22,780 -1.2	23,232 2.0	23,488 1.1	23,656 0.7	23,735 0.3
18.	Real personal disposable income per capita (chained (1997) dollars)	21,912 0.3	21,510 -1.8	21,409 -0.5	21,214 -0.9	21,508 1.4	21,558 0.2	21,461 -0.4	21,494 0.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted data at annual rates, millions of dollars

		2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1.	Wages, salaries and supplementary labour income (national basis)	254,532 0.7	254,851 0.1	255,762 0.4	258,591 1.1	261,635 1.2	264,761 1.2	267,062 0.9	269,866 1.0
2.	Net income of farm operators from farm production	130 -67.0	43 -66.9	-53 -	-48 -	182 -	215 18.1	212 -1.4	223 5.2
3.	Net income of non-farm unincorporated business, including rent	32,306 0.5	32,566 0.8	32,885 1.0	33,119 0.7	33,314 0.6	33,784 1.4	34,067 0.8	34,281 0.6
4.	Interest, dividends and miscellaneous investment income	43,647 0.6	43,510 -0.3	43,979 1.1	43,092 -2.0	43,837 1.7	44,451 1.4	44,287 -0.4	44,500 0.5
5.	Current transfers from government, corporations and non-residents	46,685 0.7	46,929 0.5	47,168 0.5	47,170 0.0	47,833 1.4	48,205 0.8	48,899 1.4	49,349 0.9
6.	Equals: Personal income	377,300 0.6	377,899 0.2	379,741 0.5	381,924 0.6	386,801 1.3	391,416 1.2	394,527 0.8	398,219 0.9
7.	Deduct: Personal direct taxes	60,306 -0.0	59,151 -1.9	61,075 3.3	61,240 0.3	62,492 2.0	63,517 1.6	66,033 4.0	66,735 1.1
8.	Other current transfers to government	26,508 1.2	26,741 0.9	27,177 1.6	27,714 2.0	27,825 0.4	27,748 -0.3	27,948 0.7	28,163 0.8
9.	Equals: Personal disposable income	290,486 0.7	292,007 0.5	291,489 -0.2	292,970 0.5	296,484 1.2	300,151 1.2	300,546 0.1	303,321 0.9
10.	Deduct: Personal expenditure on consumer goods and services	274,711 1.2	274,957 0.1	279,123 1.5	278,673 -0.2	283,609 1.8	285,887 0.8	289,531 1.3	294,088 1.6
11.	Current transfers to corporations	4,973 4.5	5,085 2.3	5,261 3.5	5,329 1.3	5,423 1.8	5,542 2.2	5,515 -0.5	5,633 2.1
12.	Current transfers to non-residents	1,029 5.4	969 -5.8	1,025 5.8	1,037 1.2	1,060 2.2	1,081 2.0	1,096 1.4	1,124 2.6
13.	Equals: Personal saving	9,773 -14.2	10,996 12.5	6,080 -44.7	7,931 30.4	6,392 -19.4	7,641 19.5	4,404 -42.4	2,476 -43.8
14.	Personal saving rate (percent)	3.4	3.8	2.1	2.7	2.2	2.6	1.5	0.8
15.	Real personal disposable income * (millions of chained (1997) dollars)	261,464 0.1	264,541 1.2	262,517 -0.8	263,759 0.5	265,757 0.8	267,351 0.6	267,238 -0.0	268,550 0.5
16.	Population (thousands)	12,167 0.1	12,207 0.3	12,257 0.4	12,300 0.3	12,312 0.1	12,347 0.3	12,393 0.4	12,440 0.4
17.	Personal disposable income per capita (dollars)	23,874 0.6	23,922 0.2	23,782 -0.6	23,820 0.2	24,080 1.1	24,309 1.0	24,252 -0.2	24,383 0.5
18.	Real personal disposable income per capita (chained (1997) dollars)	21,489 -0.0	21,671 0.8	21,418 -1.2	21,445 0.1	21,584 0.6	21,652 0.3	21,564 -0.4	21,588 0.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE**TABLE 5***Seasonally adjusted data at annual rates, millions of dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Exports of goods and services	320,032 -2.5	322,980 0.9	315,424 -2.3	310,940 -1.4	319,692 2.8	324,015 1.4	331,340 2.3	325,918 -1.6
2. Of which: International	234,673 -3.5	235,909 0.5	228,479 -3.1	226,024 -1.1	232,888 3.0	235,338 1.1	241,500 2.6	234,542 -2.9
3. Of which: Interprovincial	85,359 0.3	87,071 2.0	86,945 -0.1	84,916 -2.3	86,804 2.2	88,676 2.2	89,841 1.3	91,375 1.7
4. Imports of goods and services	271,831 -3.3	272,572 0.3	267,708 -1.8	262,177 -2.1	265,124 1.1	274,033 3.4	280,782 2.5	279,805 -0.3
5. Trade balance	48,201	50,408	47,715	48,764	54,568	49,982	50,558	46,112

*Note: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO TRADE

TABLE 5

Seasonally adjusted data at annual rates, millions of dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Exports of goods and services	322,298 -1.1	309,171 -4.1	303,282 -1.9	309,832 2.2	317,575 2.5	336,949 6.1	332,278 -1.4	326,769 -1.7
2. Of which: International	230,195 -1.9	218,415 -5.1	212,312 -2.8	217,601 2.5	224,525 3.2	241,312 7.5	234,524 -2.8	228,824 -2.4
3. Of which: Interprovincial	92,103 0.8	90,756 -1.5	90,970 0.2	92,231 1.4	93,050 0.9	95,638 2.8	97,755 2.2	97,945 0.2
4. Imports of goods and services	276,645 -1.1	269,149 -2.7	264,578 -1.7	274,048 3.6	280,014 2.2	293,956 5.0	297,373 1.2	293,955 -1.1
5. Trade balance	45,653	40,022	38,704	35,785	37,561	42,993	34,905	32,814

Note: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

Using seasonally adjusted data, chained (1997) dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	107.0 0.2	107.7 0.7	107.7 -0.0	107.4 -0.3	108.0 0.6	109.0 0.9	110.2 1.2	110.4 0.2
2. Durable goods	99.2 -0.7	98.9 -0.2	98.9 0.0	98.1 -0.9	98.0 -0.1	98.6 0.6	99.0 0.3	98.1 -0.8
3. Semi-durable goods	105.7 1.0	104.4 -1.3	104.1 -0.2	104.7 0.5	103.4 -1.2	105.0 1.5	106.0 1.0	104.9 -1.1
4. Non-durable goods	111.9 0.6	115.2 2.9	114.3 -0.8	112.6 -1.5	113.6 0.9	115.1 1.3	118.7 3.1	118.6 -0.0
5. Services	107.2 0.2	107.5 0.3	107.8 0.3	108.3 0.4	109.3 0.9	109.9 0.6	110.5 0.5	111.3 0.7
6. Government expenditure on goods and services:	106.6 0.3	106.1 -0.4	107.0 0.8	107.4 0.3	108.4 0.9	109.0 0.6	110.3 1.1	111.1 0.8
7. Current expenditure	107.2 0.5	106.7 -0.5	107.8 1.0	108.2 0.4	109.3 1.0	110.1 0.7	111.4 1.2	112.5 1.0
8. Capital expenditure	102.2 -0.6	102.3 0.1	101.7 -0.6	101.7 0.0	102.4 0.7	102.1 -0.4	102.8 0.8	102.4 -0.4
9. Business gross fixed capital formation:	104.1 0.1	105.3 1.2	104.6 -0.6	104.6 0.0	106.6 1.8	107.5 0.8	106.9 -0.5	107.5 0.5
10. Residential structures	109.8 0.6	111.8 1.9	111.9 0.1	112.9 0.9	115.7 2.5	116.7 0.8	116.5 -0.1	118.2 1.4
11. Non-residential structures	112.4 -1.6	112.8 0.3	111.9 -0.8	111.8 -0.0	113.3 1.3	114.0 0.7	115.0 0.9	115.7 0.6
12. Machinery and equipment	98.3 0.3	99.4 1.2	98.4 -1.0	97.5 -0.9	99.2 1.7	100.0 0.8	98.8 -1.2	98.4 -0.4
13. Exports of goods and services	104.8 0.4	104.9 0.1	103.7 -1.2	102.8 -0.8	104.1 1.3	104.5 0.4	105.5 0.9	105.9 0.4
14. DEDUCT: Imports of goods and services	109.0 1.3	109.0 0.0	108.2 -0.7	107.8 -0.4	109.3 1.4	108.6 -0.7	109.4 0.7	109.0 -0.4
15. Gross Domestic Product at market prices	104.2 0.4 1.5	104.3 0.0 0.1	103.9 -0.3 -1.3	102.5 -1.4 -5.3	103.6 1.0 4.2	106.0 2.3 9.4	106.5 0.5 2.2	107.9 1.3 5.2
* 16. Final domestic demand	106.4 0.2	106.9 0.5	107.0 0.0	106.9 -0.1	107.9 0.9	108.7 0.8	109.7 0.9	110.1 0.4

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

Using seasonally adjusted data, chained (1997) dollars

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Personal expenditure on consumer goods and services:	111.1 0.6	110.4 -0.6	111.0 0.6	111.1 0.0	111.6 0.4	112.3 0.6	112.5 0.2	112.9 0.4
2. Durable goods	98.4 0.3	98.2 -0.2	97.6 -0.7	97.2 -0.3	96.8 -0.4	96.8 -0.0	96.2 -0.6	96.7 0.5
3. Semi-durable goods	104.1 -0.8	103.3 -0.8	103.1 -0.1	104.3 1.2	103.9 -0.4	103.6 -0.4	102.5 -1.0	102.7 0.2
4. Non-durable goods	121.7 2.6	119.1 -2.1	122.0 2.4	120.8 -1.0	122.0 1.0	123.9 1.6	125.2 1.1	126.5 1.0
5. Services	111.4 0.1	111.3 -0.1	111.8 0.4	111.9 0.1	112.5 0.5	113.1 0.5	113.2 0.1	113.5 0.2
6. Government expenditure on goods and services:	111.2 0.0	110.8 -0.4	112.9 1.9	113.2 0.3	113.3 0.1	113.4 0.1	115.2 1.6	115.6 0.3
7. Current expenditure	112.3 -0.2	112.2 -0.1	114.8 2.3	115.4 0.5	115.5 0.1	115.3 -0.2	117.3 1.8	117.9 0.4
8. Capital expenditure	104.8 2.4	102.3 -2.5	101.5 -0.7	99.9 -1.5	99.9 -0.0	102.2 2.3	102.5 0.3	101.8 -0.7
9. Business gross fixed capital formation:	107.6 0.1	106.3 -1.2	106.5 0.2	105.7 -0.8	106.6 0.9	108.7 2.0	108.6 -0.1	107.1 -1.4
10. Residential structures	120.0 1.6	121.3 1.1	124.0 2.3	124.2 0.1	126.3 1.7	128.8 1.9	130.2 1.1	130.5 0.2
11. Non-residential structures	116.9 1.0	116.8 -0.1	117.7 0.8	118.5 0.7	120.6 1.7	122.8 1.9	124.7 1.5	125.6 0.7
12. Machinery and equipment	97.1 -1.3	93.5 -3.7	92.1 -1.5	89.6 -2.6	89.6 -0.1	91.3 2.0	89.7 -1.8	86.5 -3.5
13. Exports of goods and services	105.0 -0.9	100.3 -4.5	100.1 -0.2	98.8 -1.3	100.6 1.8	104.3 3.6	103.8 -0.5	102.2 -1.5
14. DEDUCT: Imports of goods and services	108.6 -0.4	102.8 -5.3	102.7 -0.1	100.7 -2.0	102.8 2.2	106.8 3.9	104.7 -2.0	101.6 -3.0
15. Gross Domestic Product at market prices	107.9 0.0	107.1 -0.7	107.6 0.5	107.6 -0.1	108.3 0.7	109.4 1.1	109.9 0.4	110.8 0.8
*	0.0	-2.8	1.9	-0.3	2.8	4.3	1.6	3.4
16. Final domestic demand	110.5 0.4	109.8 -0.7	110.7 0.8	110.6 -0.1	111.1 0.5	111.9 0.7	112.4 0.4	112.5 0.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED**TABLE 7***Millions of dollars*

	2001	2002	2003	2004
1. Wages, salaries and supplementary labour income (domestic basis)	242,939 3.9	251,226 3.4	259,052 3.1	268,857 3.8
2. Corporation profits before taxes	49,441 -9.0	59,893 21.1	58,852 -1.7	65,419 11.2
3. Interest and miscellaneous investment income	17,051 -6.6	17,077 0.2	17,158 0.5	17,784 3.6
4. Accrued net income of farm operators from farm production	245 40.8	233 -4.9	18 -92.3	208 1,055.6
5. Net income of non-farm unincorporated business, including rent	29,105 5.1	31,518 8.3	32,719 3.8	33,862 3.5
6. Inventory valuation adjustment	270	-1,329	2,430	-148
7. Indirect taxes less subsidies	59,410 4.3	61,734 3.9	61,839 0.2	64,992 5.1
8. Capital consumption allowances	54,921 7.3	58,060 5.7	61,234 5.5	63,989 4.5
9. Statistical discrepancy	549	1,144	1,199	632
10. Gross Domestic Product at market prices	453,931 3.0	479,556 5.6	494,501 3.1	515,595 4.3

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 8***Millions of dollars*

	2001	2002	2003	2004
1. Personal expenditure on consumer goods and services:	250,892 4.7	264,641 5.5	276,866 4.6	288,279 4.1
2. <i>Durable goods</i>	33,554 1.4	36,101 7.6	36,085 -0.0	34,386 -4.7
3. <i>Semi-durable goods</i>	22,136 4.0	22,941 3.6	23,406 2.0	24,236 3.5
4. <i>Non-durable goods</i>	56,897 6.5	60,037 5.5	64,152 6.9	68,439 6.7
5. <i>Services</i>	138,305 4.9	145,562 5.2	153,223 5.3	161,218 5.2
6. Government expenditure on goods and services:	86,584 5.2	92,776 7.2	100,060 7.9	105,176 5.1
7. <i>Current expenditure</i>	76,241 4.9	81,161 6.5	87,043 7.2	92,800 6.6
8. <i>Capital expenditure</i>	10,343 7.2	11,615 12.3	13,017 12.1	12,375 -4.9
9. Business gross fixed capital formation:	70,464 3.4	73,021 3.6	75,833 3.9	82,025 8.2
10. <i>Residential structures</i>	24,678 13.3	28,352 14.9	31,060 9.6	34,826 12.1
11. <i>Non-residential structures</i>	11,179 1.3	11,559 3.4	11,474 -0.7	11,590 1.0
12. <i>Machinery and equipment</i>	34,607 -2.0	33,110 -4.3	33,299 0.6	35,610 6.9
13. Exports of goods and services	317,344 -1.0	325,241 2.5	311,146 -4.3	328,393 5.5
14. DEDUCT: Imports of goods and services	268,572 -2.2	274,936 2.4	271,105 -1.4	291,325 7.5
15. Value of physical change in inventories:	-2,236	-43	2,894	3,679
16. <i>Non-farm</i>	-2,163	-234	2,840	3,216
17. <i>Farm</i>	-77	204	49	366
18. <i>Government</i>	4	-13	5	98
19. Statistical discrepancy	-543	-1,142	-1,191	-632
20. Gross Domestic Product at market prices	453,931 3.0	479,556 5.6	494,501 3.1	515,595 4.3
21. Final domestic demand	407,940 4.6	430,438 5.5	452,759 5.2	475,480 5.0

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 9

Millions of chained (1997) dollars

	2001	2002	2003	2004
1. Personal expenditure on consumer goods and services:	233,535 2.8	241,873 3.6	249,657 3.2	256,671 2.8
2. Durable goods	33,972 2.2	36,677 8.0	36,874 0.5	35,587 -3.5
3. Semi-durable goods	21,140 3.0	21,891 3.6	22,572 3.1	23,493 4.1
4. Non-durable goods	50,127 2.1	51,531 2.8	53,063 3.0	54,994 3.6
5. Services	128,395 3.2	132,040 2.8	137,318 4.0	142,594 3.8
6. Government expenditure on goods and services:	81,088 4.2	84,553 4.3	89,330 5.6	91,948 2.9
7. Current expenditure	70,947 3.9	73,214 3.2	76,583 4.6	79,655 4.0
8. Capital expenditure	10,141 6.8	11,339 11.8	12,747 12.4	12,184 -4.4
9. Business gross fixed capital formation:	67,324 1.6	68,171 1.3	71,198 4.4	76,105 6.9
10. Residential structures	22,109 9.7	24,270 9.8	25,363 4.5	26,998 6.4
11. Non-residential structures	9,961 -0.3	10,095 1.3	9,767 -3.2	9,388 -3.9
12. Machinery and equipment	35,164 -3.0	33,419 -5.0	35,823 7.2	39,912 11.4
13. Exports of goods and services	304,950 -2.4	309,656 1.5	307,888 -0.6	319,637 3.8
14. DEDUCT: Imports of goods and services	247,549 -4.6	252,006 1.8	261,606 3.8	280,207 7.1
15. Value of physical change in inventories:	-1,731	581	3,392	4,771
16. Non-farm	-1,670	444	3,265	4,556
17. Farm	-65	148	122	218
18. Government	4	-11	5	-3
19. Statistical discrepancy	-518	-1,089	-1,149	-582
20. Gross Domestic Product at market prices	437,600 2.0	452,431 3.4	459,805 1.6	470,423 2.3
21. Final domestic demand	381,932 2.9	394,562 3.3	410,081 3.9	424,555 3.5

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 10

Millions of dollars

		2001	2002	2003	2004
1.	Wages, salaries and supplementary labour income (national basis)	239,747 4.0	248,209 3.5	255,934 3.1	265,831 3.9
2.	Net income of farm operators from farm production	245 40.8	233 -4.9	18 -92.3	208 1,055.6
3.	Net income of non-farm unincorporated business, including rent	29,105 5.1	31,518 8.3	32,719 3.8	33,862 3.5
4.	Interest, dividends and miscellaneous investment income	46,721 -1.6	44,098 -5.6	43,557 -1.2	44,269 1.6
5.	Current transfers from government, corporations and non-residents	44,678 7.1	45,548 1.9	46,988 3.2	48,572 3.4
6.	Equals: Personal income	360,496 3.7	369,606 2.5	379,216 2.6	392,741 3.6
7.	Deduct: Personal direct taxes	62,296 4.0	60,063 -3.6	60,443 0.6	64,694 7.0
8.	Other current transfers to government	23,989 6.8	25,556 6.5	27,035 5.8	27,921 3.3
9.	Equals: Personal disposable income	274,211 3.4	283,987 3.6	291,738 2.7	300,126 2.9
10.	Deduct: Personal expenditure on consumer goods and services	250,892 4.7	264,641 5.5	276,866 4.6	288,279 4.1
11.	Current transfers to corporations	4,983 2.6	4,557 -8.5	5,162 13.3	5,528 7.1
12.	Current transfers to non-residents	812 12.0	951 17.1	1,015 6.7	1,090 7.4
13.	Equals: Personal saving	17,524 -12.6	13,838 -21.0	8,695 -37.2	5,228 -39.9
14.	Personal saving rate (percent)	6.4	4.9	3.0	1.8
15.	Real personal disposable income * (millions of chained (1997) dollars)	255,246 1.5	259,566 1.7	263,070 1.4	267,224 1.6
16.	Population (thousands)	11,898 1.8	12,102 1.7	12,257 1.3	12,393 1.1
17.	Personal disposable income per capita (dollars)	23,047 1.5	23,466 1.8	23,802 1.4	24,218 1.7
18.	Real personal disposable income per capita (chained (1997) dollars)	21,453 -0.3	21,448 -0.0	21,463 0.1	21,563 0.5

Notes: Per cent change from previous year is given on the second line.

* Real personal disposable income is calculated using the implicit price index for personal expenditure.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO TRADE*Millions of dollars***TABLE 11**

	2001	2002	2003	2004
1. Exports of goods and services	317,344 -1.0	325,241 2.5	311,146 -4.3	328,393 5.5
2. Of which: International	231,271 -2.6	236,067 2.1	219,631 -7.0	232,296 5.8
3. Of which: Interprovincial	86,073 3.5	89,174 3.6	91,515 2.6	96,097 5.0
4. Imports of goods and services	268,572 -2.2	274,936 2.4	271,105 -1.4	291,325 7.5
5. Trade balance	48,772	50,305	40,041	37,068

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 12

Using chained (1997) dollars

	2001	2002	2003	2004
1. Personal expenditure on consumer goods and services:	107.4 1.9	109.4 1.8	110.9 1.4	112.3 1.3
2. Durable goods	98.8 -0.8	98.4 -0.4	97.9 -0.6	96.6 -1.3
3. Semi-durable goods	104.7 1.0	104.8 0.1	103.7 -1.1	103.2 -0.5
4. Non-durable goods	113.5 4.4	116.5 2.6	120.9 3.8	124.4 2.9
5. Services	107.7 1.7	110.2 2.3	111.6 1.2	113.1 1.3
6. Government expenditure on goods and services:	106.8 0.9	109.7 2.7	112.0 2.1	114.4 2.1
7. Current expenditure	107.5 1.0	110.8 3.1	113.6 2.5	116.5 2.5
8. Capital expenditure	102.0 0.4	102.4 0.4	102.1 -0.3	101.6 -0.5
9. Business gross fixed capital formation:	104.7 1.8	107.1 2.3	106.5 -0.5	107.8 1.2
10. Residential structures	111.6 3.2	116.8 4.7	122.4 4.8	129.0 5.4
11. Non-residential structures	112.2 1.3	114.5 2.0	117.5 2.6	123.4 5.1
12. Machinery and equipment	98.4 1.0	99.1 0.7	93.1 -6.1	89.3 -4.1
13. Exports of goods and services	104.1 1.5	105.0 0.9	101.1 -3.8	102.7 1.6
14. DEDUCT: Imports of goods and services	108.5 2.6	109.1 0.6	103.7 -5.0	104.0 0.3
15. Gross Domestic Product at market prices	103.7 1.0	106.0 2.2	107.5 1.5	109.6 1.9
16. Final domestic demand	106.8 1.7	109.1 2.1	110.4 1.2	112.0 1.4

Note: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Goods Producing Industries	124,571 -2.1	125,075 0.4	122,019 -2.4	121,731 -0.2	126,067 3.6	127,302 1.0	128,336 0.8	127,922 -0.3
2. Primary	7,647 0.5	7,628 -0.2	7,578 -0.6	7,714 1.8	7,567 -1.9	7,750 2.4	7,874 1.6	8,051 2.2
3. Agriculture, Forestry, Fishing & Hunting	4,509 -0.4	4,537 0.6	4,441 -2.1	4,420 -0.5	4,335 -1.9	4,539 4.7	4,681 3.1	4,804 2.6
4. Mining	3,196 2.1	3,195 -0.0	3,223 0.9	3,314 2.8	3,261 -1.6	3,243 -0.5	3,212 -1.0	3,269 1.8
5. Utilities	9,738 -0.9	10,119 3.9	9,985 -1.3	10,325 3.4	10,184 -1.4	10,376 1.9	9,969 -3.9	9,931 -0.4
6. Electric Power	7,588 -0.3	7,994 5.4	7,933 -0.8	8,252 4.0	8,064 -2.3	8,098 0.4	7,838 -3.2	7,665 -2.2
7. Natural Gas, Water and Other	2,146 -2.9	2,122 -1.1	2,051 -3.3	2,074 1.1	2,117 2.1	2,271 7.3	2,119 -6.7	2,251 6.2
8. Construction	19,109 4.2	19,575 2.4	20,266 3.5	20,895 3.1	21,327 2.1	20,894 -2.0	20,975 0.4	21,024 0.2
9. Residential Buildings	7,582 5.0	7,571 -0.1	7,820 3.3	8,157 4.3	8,633 5.8	8,423 -2.4	8,704 3.3	8,455 -2.9
10. Non-Residential Buildings and Engineering	11,530 3.6	12,000 4.1	12,442 3.7	12,742 2.4	12,704 -0.3	12,474 -1.8	12,270 -1.6	12,557 2.3
11. Manufacturing	88,095 -3.9	87,539 -0.6	83,968 -4.1	82,404 -1.9	86,442 4.9	88,048 1.9	89,488 1.6	89,245 -0.3
12. Food, Beverage, & Tobacco Products	9,708 2.0	9,739 0.3	9,693 -0.5	9,707 0.1	9,811 1.1	9,741 -0.7	9,702 -0.4	9,616 -0.9
13. Textile, Clothing, & Leather Products	2,246 -7.2	2,138 -4.8	1,965 -8.1	1,888 -3.9	2,067 9.5	2,030 -1.8	2,003 -1.3	1,989 -0.7
14. Wood Products and Furniture	4,983 -0.4	4,912 -1.4	4,756 -3.2	4,801 0.9	5,064 5.5	5,036 -0.6	5,240 4.0	5,249 0.2
15. Paper Products and Printing	6,701 -1.4	6,450 -3.8	6,528 1.2	6,494 -0.5	6,640 2.2	6,805 2.5	6,771 -0.5	6,752 -0.3
16. Chemical and Petroleum Products	7,873 -0.0	8,248 4.8	8,128 -1.5	8,420 3.6	8,606 2.2	8,611 0.1	8,558 -0.6	8,484 -0.9
17. Plastic and Rubber Products	6,072 -2.1	5,742 -5.4	5,296 -7.8	5,059 -4.5	5,729 13.2	6,066 5.9	6,296 3.8	6,551 4.0
18. Primary Metal & Fabricated Metal Products	12,360 -4.8	12,344 -0.1	12,112 -1.9	11,894 -1.8	12,430 4.5	12,745 2.5	12,638 -0.8	12,565 -0.6
19. Machinery	6,505 -2.3	6,397 -1.7	6,157 -3.8	5,988 -2.7	6,157 2.8	6,331 2.8	6,371 0.6	6,816 7.0

*Notes: Ontario Production is measured as Gross Domestic Product at basic prices.**Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
20. Electrical and Electronic Products	9,740 -15.9	8,870 -8.9	7,394 -16.6	6,315 -14.6	6,965 10.3	7,137 2.5	6,854 -4.0	6,769 -1.2
21. Transportation Equipment	17,777 -5.7	18,459 3.8	17,761 -3.8	17,500 -1.5	18,306 4.6	18,752 2.4	19,793 5.6	18,958 -4.2
22. Auto Industry (Vehicles & Parts)	16,063 -6.6	16,733 4.2	16,253 -2.9	15,926 -2.0	16,605 4.3	17,237 3.8	18,203 5.6	17,714 -2.7
23. Other Transportation Equipment	1,672 8.6	1,669 -0.2	1,576 -5.6	1,605 1.9	1,687 5.1	1,509 -10.5	1,525 1.0	1,330 -12.8
24. Non-metallic Mineral Products & Other Manufacturing	4,204 1.0	4,034 -4.0	3,742 -7.2	3,817 2.0	3,977 4.2	4,000 0.6	4,210 5.2	4,264 1.3
25. Services Producing Industries	277,724 0.5	279,845 0.8	280,169 0.1	281,883 0.6	285,081 1.1	288,331 1.1	290,505 0.8	291,753 0.4
26. Wholesale Trade	26,482 -1.5	26,810 1.2	26,600 -0.8	26,093 -1.9	26,933 3.2	28,013 4.0	28,330 1.1	29,313 3.5
27. Retail Trade	20,686 1.0	20,804 0.6	20,739 -0.3	21,542 3.9	21,894 1.6	21,480 -1.9	21,328 -0.7	21,494 0.8
28. Transportation and Warehousing	16,214 2.1	16,374 1.0	16,653 1.7	17,027 2.2	17,017 -0.1	17,014 -0.0	16,836 -1.0	16,552 -1.7
29. Information & Culture (including Telecommunications)	16,772 1.4	17,254 2.9	17,627 2.2	18,209 3.3	18,359 0.8	18,340 -0.1	18,331 -0.0	18,260 -0.4
30. Finance, Insurance, Real Estate, Rental & Leasing	86,402 1.3	87,598 1.4	88,616 1.2	90,027 1.6	90,679 0.7	91,961 1.4	91,675 -0.3	91,176 -0.5
31. Professional and Administrative Services	31,172 -1.6	30,722 -1.4	29,720 -3.3	28,775 -3.2	29,849 3.7	30,792 3.2	31,865 3.5	32,717 2.7
32. Education	17,137 -0.4	17,031 -0.6	17,024 -0.0	16,899 -0.7	16,752 -0.9	16,828 0.5	16,773 -0.3	16,633 -0.8
33. Health Care and Social Services	21,751 -0.2	21,905 0.7	22,142 1.1	22,333 0.9	22,511 0.8	22,671 0.7	22,730 0.3	22,768 0.2
34. Arts, Entertainment & Recreation	3,736 1.5	3,718 -0.5	3,734 0.4	3,788 1.4	3,831 1.1	4,114 7.4	4,054 -1.5	4,110 1.4
35. Accommodation and Food	9,021 4.0	9,124 1.1	8,872 -2.8	9,047 2.0	9,148 1.1	9,140 -0.1	9,130 -0.1	9,063 -0.7
36. Other Services	9,296 1.0	9,367 0.8	9,296 -0.8	9,159 -1.5	9,285 1.4	9,401 1.3	9,629 2.4	9,637 0.1
37. Public Administration	19,434 0.3	19,554 0.6	19,514 -0.2	19,467 -0.2	19,438 -0.2	19,166 -1.4	20,466 6.8	20,708 1.2
38. Total Production	402,475 -0.4 * -1.5	405,070 0.6 2.6	402,597 -0.6 -2.4	404,031 0.4 1.4	411,274 1.8 7.4	416,111 1.2 4.8	419,330 0.8 3.1	420,539 0.3 1.2

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
1. Goods Producing Industries	129,168 1.0	127,206 -1.5	126,029 -0.9	129,640 2.9	128,616 -0.8	130,068 1.1	132,953 2.2	132,736 -0.2
2. Primary	7,808 -3.0	7,654 -2.0	7,594 -0.8	7,774 2.4	7,859 1.1	7,921 0.8	7,936 0.2	7,962 0.3
3. Agriculture, Forestry, Fishing & Hunting	4,610 -4.1	4,651 0.9	4,625 -0.6	4,630 0.1	4,710 1.7	4,751 0.9	4,794 0.9	4,918 2.6
4. Mining	3,247 -0.7	3,037 -6.5	3,082 1.5	3,277 6.4	3,215 -1.9	3,259 1.4	3,240 -0.6	3,155 -2.6
5. Utilities	10,323 3.9	9,676 -6.3	9,674 -0.0	9,631 -0.5	9,763 1.4	9,514 -2.5	9,847 3.5	10,276 4.4
6. Electric Power	7,862 2.6	7,455 -5.2	7,511 0.8	7,507 -0.1	7,583 1.0	7,366 -2.9	7,673 4.2	8,112 5.7
7. Natural Gas, Water and Other	2,451 8.9	2,220 -9.4	2,169 -2.3	2,136 -1.5	2,181 2.1	2,149 -1.5	2,174 1.2	2,164 -0.5
8. Construction	21,373 1.7	21,687 1.5	21,921 1.1	22,803 4.0	22,259 -2.4	22,082 -0.8	22,509 1.9	22,600 0.4
9. Residential Buildings	8,578 1.5	8,845 3.1	9,027 2.1	9,642 6.8	9,387 -2.6	9,525 1.5	10,040 5.4	9,991 -0.5
10. Non-Residential Buildings and Engineering	12,783 1.8	12,840 0.5	12,899 0.5	13,170 2.1	12,877 -2.2	12,558 -2.5	12,457 -0.8	12,592 1.1
11. Manufacturing	89,761 0.6	88,158 -1.8	86,393 -2.0	88,750 2.7	88,112 -0.7	89,957 2.1	92,245 2.5	91,466 -0.8
12. Food, Beverage, & Tobacco Products	9,659 0.5	9,499 -1.7	9,419 -0.8	9,495 0.8	9,567 0.8	9,701 1.4	9,911 2.2	9,803 -1.1
13. Textile, Clothing, & Leather Products	1,928 -3.0	1,838 -4.7	1,782 -3.1	1,882 5.6	1,821 -3.2	1,831 0.6	1,801 -1.6	1,760 -2.3
14. Wood Products and Furniture	5,402 2.9	5,360 -0.8	5,171 -3.5	5,252 1.6	5,227 -0.5	5,285 1.1	5,404 2.3	5,642 4.4
15. Paper Products and Printing	6,936 2.7	6,916 -0.3	6,950 0.5	7,178 3.3	6,952 -3.2	7,000 0.7	7,151 2.2	7,005 -2.0
16. Chemical and Petroleum Products	8,604 1.4	8,709 1.2	8,786 0.9	9,268 5.5	9,394 1.4	9,462 0.7	9,889 4.5	9,859 -0.3
17. Plastic and Rubber Products	6,508 -0.6	6,043 -7.2	5,777 -4.4	5,901 2.1	5,870 -0.5	5,916 0.8	5,937 0.4	5,905 -0.5
18. Primary Metal & Fabricated Metal Products	12,727 1.3	12,404 -2.5	11,786 -5.0	12,425 5.4	11,834 -4.8	12,389 4.7	12,912 4.2	12,798 -0.9
19. Machinery	6,453 -5.3	6,222 -3.6	5,939 -4.5	6,002 1.1	5,975 -0.5	6,161 3.1	6,424 4.3	6,410 -0.2

*Notes: Ontario Production is measured as Gross Domestic Product at basic prices.**Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.*

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted data at annual rates, millions of chained (1997) dollars*

	2003 I	2003 II	2003 III	2003 IV	2004 I	2004 II	2004 III	2004 IV
20. Electrical and Electronic Products	7,041 4.0	6,974 -1.0	6,805 -2.4	7,108 4.5	6,982 -1.8	7,111 1.8	7,287 2.5	7,044 -3.3
21. Transportation Equipment	19,051 0.5	18,893 -0.8	19,036 0.8	19,523 2.6	19,953 2.2	20,397 2.2	20,963 2.8	20,720 -1.2
22. Auto Industry (Vehicles & Parts)	17,876 0.9	17,629 -1.4	17,850 1.3	18,415 3.2	18,701 1.6	19,082 2.0	19,540 2.4	19,258 -1.4
23. Other Transportation Equipment	1,246 -6.3	1,244 -0.1	1,098 -11.8	1,145 4.3	1,136 -0.8	1,142 0.5	1,132 -0.9	1,229 8.6
24. Non-metallic Mineral Products & Other Manufacturing	4,328 1.5	4,369 0.9	4,276 -2.1	4,274 -0.0	4,170 -2.4	4,366 4.7	4,302 -1.5	4,257 -1.0
25. Services Producing Industries	293,637 0.6	294,457 0.3	294,925 0.2	298,333 1.2	300,323 0.7	303,275 1.0	303,744 0.2	304,912 0.4
26. Wholesale Trade	29,851 1.8	29,731 -0.4	29,163 -1.9	30,363 4.1	29,951 -1.4	31,033 3.6	31,089 0.2	31,322 0.7
27. Retail Trade	21,953 2.1	22,107 0.7	22,428 1.5	22,349 -0.4	22,644 1.3	22,624 -0.1	22,998 1.7	23,216 0.9
28. Transportation and Warehousing	16,753 1.2	16,767 0.1	16,959 1.1	17,510 3.2	17,568 0.3	17,776 1.2	17,941 0.9	18,057 0.6
29. Information & Culture (including Telecommunications)	18,648 2.1	18,938 1.6	18,976 0.2	19,138 0.9	19,143 0.0	19,392 1.3	19,263 -0.7	19,196 -0.3
30. Finance, Insurance, Real Estate, Rental & Leasing	91,326 0.2	92,755 1.6	93,626 0.9	94,334 0.8	95,355 1.1	96,469 1.2	96,718 0.3	97,252 0.6
31. Professional and Administrative Services	32,620 -0.3	32,482 -0.4	31,994 -1.5	31,470 -1.6	31,818 1.1	32,245 1.3	32,081 -0.5	32,010 -0.2
32. Education	16,620 -0.1	16,698 0.5	16,775 0.5	17,131 2.1	17,364 1.4	17,539 1.0	16,965 -3.3	17,148 1.1
33. Health Care and Social Services	23,125 1.6	23,223 0.4	23,609 1.7	23,871 1.1	23,936 0.3	23,849 -0.4	24,164 1.3	24,124 -0.2
34. Arts, Entertainment & Recreation	4,146 0.9	4,160 0.3	4,105 -1.3	4,179 1.8	4,118 -1.5	4,108 -0.2	4,079 -0.7	4,041 -0.9
35. Accommodation and Food	8,875 -2.1	8,306 -6.4	8,459 1.8	8,737 3.3	8,755 0.2	8,802 0.5	8,778 -0.3	8,890 1.3
36. Other Services	9,633 -0.0	9,540 -1.0	9,485 -0.6	9,668 1.9	9,762 1.0	9,762 0.0	9,706 -0.6	9,800 1.0
37. Public Administration	20,842 0.6	20,640 -1.0	20,219 -2.0	20,488 1.3	20,889 2.0	20,716 -0.8	21,011 1.4	20,952 -0.3
38. Total Production	423,535 0.7 2.9	422,287 -0.3 -1.2	421,302 -0.2 -0.9	428,436 1.7 6.9	429,286 0.2 0.8	433,743 1.0 4.2	437,342 0.8 3.4	438,437 0.3 1.0

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 14***Millions of chained (1997) dollars*

	2001	2002	2003	2004
1. Goods Producing Industries	123,349 -2.2	127,407 3.3	128,011 0.5	131,093 2.4
2. Primary	7,642 -1.1	7,810 2.2	7,708 -1.3	7,920 2.8
3. Agriculture, Forestry, Fishing & Hunting	4,477 -4.2	4,590 2.5	4,629 0.8	4,793 3.6
4. Mining	3,232 4.6	3,246 0.4	3,161 -2.6	3,217 1.8
5. Utilities	10,042 1.7	10,115 0.7	9,826 -2.9	9,850 0.2
6. Electric Power	7,942 2.4	7,916 -0.3	7,584 -4.2	7,683 1.3
7. Natural Gas, Water and Other	2,098 -0.9	2,190 4.4	2,244 2.5	2,167 -3.4
8. Construction	19,961 7.6	21,055 5.5	21,946 4.2	22,362 1.9
9. Residential Buildings	7,783 8.4	8,554 9.9	9,023 5.5	9,736 7.9
10. Non-Residential Buildings and Engineering	12,179 7.1	12,501 2.6	12,923 3.4	12,621 -2.3
11. Manufacturing	85,502 -4.9	88,306 3.3	88,266 -0.0	90,445 2.5
12. Food, Beverage, & Tobacco Products	9,712 3.5	9,718 0.1	9,518 -2.1	9,746 2.4
13. Textile, Clothing, & Leather Products	2,059 -7.1	2,022 -1.8	1,858 -8.1	1,803 -2.9
14. Wood Products and Furniture	4,863 2.6	5,147 5.8	5,296 2.9	5,390 1.8
15. Paper Products and Printing	6,543 4.0	6,742 3.0	6,995 3.7	7,027 0.5
16. Chemical and Petroleum Products	8,168 9.1	8,565 4.9	8,842 3.2	9,651 9.2
17. Plastic and Rubber Products	5,543 -5.2	6,160 11.1	6,057 -1.7	5,907 -2.5
18. Primary Metal & Fabricated Metal Products	12,177 -3.8	12,595 3.4	12,336 -2.1	12,483 1.2
19. Machinery	6,262 -4.1	6,419 2.5	6,154 -4.1	6,242 1.4

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 14***Millions of chained (1997) dollars*

	2001	2002	2003	2004
20. Electrical and Electronic Products	8,080 -26.3	6,931 -14.2	6,982 0.7	7,106 1.8
21. Transportation Equipment	17,874 -10.8	18,952 6.0	19,126 0.9	20,508 7.2
22. Auto Industry (Vehicles & Parts)	16,244 -10.2	17,440 7.4	17,943 2.9	19,145 6.7
23. Other Transportation Equipment	1,630 -16.8	1,513 -7.2	1,183 -21.8	1,160 -2.0
24. Non-metallic Mineral Products & Other Manufacturing	3,949 3.9	4,113 4.1	4,312 4.8	4,274 -0.9
25. Services Producing Industries	279,905 3.6	288,918 3.2	295,338 2.2	303,064 2.6
26. Wholesale Trade	26,496 1.0	28,147 6.2	29,777 5.8	30,849 3.6
27. Retail Trade	20,943 4.9	21,549 2.9	22,209 3.1	22,871 3.0
28. Transportation and Warehousing	16,567 3.0	16,855 1.7	16,997 0.8	17,835 4.9
29. Information & Culture (including Telecommunications)	17,465 9.4	18,323 4.9	18,925 3.3	19,249 1.7
30. Finance, Insurance, Real Estate, Rental & Leasing	88,161 6.0	91,373 3.6	93,010 1.8	96,449 3.7
31. Professional and Administrative Services	30,098 -0.3	31,306 4.0	32,142 2.7	32,038 -0.3
32. Education	17,023 0.1	16,746 -1.6	16,806 0.4	17,254 2.7
33. Health Care and Social Services	22,033 2.6	22,670 2.9	23,457 3.5	24,018 2.4
34. Arts, Entertainment & Recreation	3,744 5.1	4,027 7.6	4,147 3.0	4,086 -1.5
35. Accommodation and Food	9,016 3.7	9,120 1.2	8,594 -5.8	8,807 2.5
36. Other Services	9,279 3.4	9,488 2.2	9,581 1.0	9,758 1.8
37. Public Administration	19,492 1.7	19,944 2.3	20,548 3.0	20,892 1.7
38. Total Production	403,543 1.8	416,813 3.3	423,890 1.7	434,702 2.6

Notes: Ontario Production is measured as Gross Domestic Product at basic prices.

Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistics Canada.

**For further information on the *Ontario Economic Accounts*,
please contact us at:**

Ministry of Finance
Macroeconomic Analysis & Policy Branch
Current Analysis Unit
6th Floor, Frost Building North
95 Grosvenor Street
Toronto, ON M7A 1Z1
416 325-0755

e-mail: macroeconomics@fin.gov.on.ca
web site: www.gov.on.ca/FIN/english/enghome.htm



3 1761 11546331 7